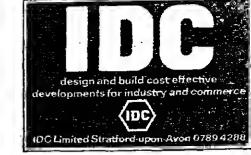
PUBLISHED IN LONDON AND FRANKFURT

Wednesday January 16 1980



CONTINENTAL SELING PRICES: AUSTRIA Sch 15: BELGIUM Fr 25: DEBMARK Kr 4.25; FRANCE Fr 4: GERMANY DAY 20: ITALY L 701: NETHERLANDS FI 2.0: RORWAY KV 4.25; PORTUGAL ESC 35: SPAIN PO TO: SWEDEN Kr 3.75; SWITZERLAND Fr 2.0: EIRE 20p; MALTA 20c

PM ieered over budget

Mrs. Thatcher was feered by Labour MPs in the Communs yesterday when she confirmed that the Government was seek-ing "a genuine compromise" ing "a genuine compromise" with other EEC members over Britain's budget comribution.

fuestioned by Labour's foreign affairs spokesman Peter Shore, the Prime Minister denied she had abandoned ber objective of a "broad balance in Britain's EEC payments and

receipts.

If Britain's receipts are brought up to three-quarters of the European average we should be home and dry," aha said. Back and Page 2

Rhodesia rebuttai

In a major effort to rehut criticism that the British Administration's implementation of the Rhodesian ceasefire was not impartial, Nicholas Feon, spokesman for Governor Lord Scomman alabamather in the Rhodesian control of Lord Soames, claimed that since the Lancaster House agree-ments formidable progress." bad been made and "giant strides" made in the successful enforcement of the ceasefire. He strongly criticised Zanla guerrillas for violating the agreement Back and Page 3; Editorial comment Page 16

Talks on Tito

The state of Yugoslavian President. Tito's health and con-tingency plans in case of his death or incapacity were discussed at a meeting of the customer the close customer and a meeting of the Tugo MATIR changes among Bank customer of Communists as of England executive directors all leave for the 220,00 strong and senior officials are expected army was cancelled. Back Page.

Uister blast

was defonated near a police a West German hank it set np Land-Rover. After the blast 12 years ago. Back Page hidden gummen opened fire.

Courts may go

Special courts set up fast year in New Delht to try Prime Minister Indira Gaudhi for alleged offences when she was last in power are likely to be abolished and proceedings against her dropped, Page 3

Fans questioned

Police are holding three Crystal Palace fans for question-ing following the death by stabbing of Swansea City supporter David Williams, 31. during Monday night's Cup game.

Florida flights

Laker Airways bas applied to the Civil Aviation Authority for rights to fly between London Gatwick and Miami, Tampa and Orlando, Florida. Page 5

Honey's off

The Government has decided to abandon a £15,000 study into ways of finding out the origin of boney on sale in the UK, Agriculture Minister Peter Walker told the Commons.

Cash flow Thousands of dollars were

washed ashore on Queensland's Gold Coast in Australia. Policemen were baffled at the unexpected windfall, soon picked

up by treasure hunters.

Briefly . . .

Unarmed Tunisish gave himself up at Palerma, Sicily, 12 hours after hijacking an Alitalia DC-8. Nattingham Forest FC chairman Stuart Dryden was jailed for six months at Nottingham Crown Court on four deception charges. Alan Breeze, 71, the Billy Cetton Band Show singer, died in hospital in West Norwich.

RISES:

Exchar. 3% '81 £884xd + 1

Exchar. 111% 84 290xd + 16 Barlow Rand 363 + 21 Brown & Jackson 215 + 13

Keyser Ullmann 71 + 4

Ktchn (Rb. Taylor) 148 + 20

Mills & Allen 271 + 19

More Offerrall 110 + 10

Burnett & Hall'shire 525

Status Discount 57

Time Products 72 + Yarrow 830 + 10 Caatlefield 880 + 40

Inch Knth Kajang... 190 + 23 Cons. Gold Fields ... 458 + 15

Coronation Syndcte 340 + 40 De Beers Dfd. 476 + 25 Description 678 + 28

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

BUSINESS

Equities easier; **Golds** up 16.4

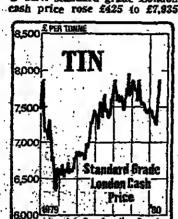
No. 28,068

 EQUITIES reacted to steel dispute and international concerns, and the FT 30-share index rose 16.4 to 441.7. But South African GOLDS followed bullion and the Gold Mines index rose 16.4 to 337.0.

• GILTS continued firm, but longs turned easier later. The Government Securities index closed 0.22 higher at 68.05.

• GOLD rose \$31 in London to close at a record \$687.50.

● TIN: standard grade London cash price rose £425 to £7,935



on shortage of spot supplies.

• DOLLAR made sharp gains In late trading and its trade-weighted index was \$4.9 (\$4.4). STERLANG was firm but fell late on dollar strength to close 15 points up at \$2,2775. Its index rose to 72.0 (71.4).

. WALL STREET was 0.68 np at 864.25 near the close.

to be amounced this week:

· HILL SAMUEL, the City Three policemen and a member, merchant bank group, is selling of the public were injured in to Credit Commercial de South Armagh when a landmine. France Its 80 per cent stake in

• PEMEX, the Mexican State oil monopoly, announced the discovery of an oll field in the southern zone of Reforma-Cactua with estimated reserves of 1.5bn barrels, Page 4

. COMPANIES should concentrate on new product development rather than sdding new plant to survive coming pro blems in the UK economy Finance for Industry chairman Lord Caldecote said. Page 7

• FORD MOTOR is to build a DM "130m - (£34m) factory in West Berlin to produce car

interior components. Page 5 • POST OFFICE has offered to cut the working week for its postal service workforce by at least two hours next year. The move is linked to plans for a

productivity package. Back Page

· CIVIL engineering union negotiators submitted a pay and workers industry's manual which is thought to include a demand for a significant basic rate rise. Page 8 ...

COMPANIES

· AMCON, the U.S. subsidiary of Consolidated Gold Fields, agreed in principla to buy four energy equipment companies from Texas international of Oklahoma for \$54.3m (£23.84m) plus the assumption by Ameon of 58m (£3.51m) of debt. Lex. Back Page

a SGR GROUP, the construct tion plant and services concern raised pre-tax profits for the year from £10.69m to £14.51m turnover of £119.34m (£93.81m). Page 18 and Lex. Back Page

• PREMIER Consolidated Oil fields, the independent oil exploration group, announced a £4.2m rights issue. Page 18

Free State Geduld. £241 + 1

Kloof Gold...... £13; + 1

Middle Wits. 420 + 60

585 + 13

613 + 62

£134 + I4

Jo burg Cons.

N'gate Expirit.....

Welkom

W. Driefontein Western Areas Winklehaak

Land Secs.

Lynton 144 - S

Ashton Mining 163 - 8

Conzinc Riotinto ... 334 - 12

FALLS:

Decca Eurotherm

UK current account shows £22m deficit for December

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

ments in December following a This deterioration occurred marked deterioration in its in spite of a sharp build-up in external trading performance Nurth Sea oil production which during the year.

There was a deficit of £22m compared with a revised estimate of a £5m surplus in rose by about £1.7bn to November. Not too much should £3.23bn, resulting in particular be read into this, since trade in from the contrast between a 16 from the con the engineering dispute which had little impact last month. manufactured exports.

There may also have been seasonal distortions which could

Exports rose shove their high November level, while imports. particularly of fuels machinery, also increased from an already high level.

The underlying position appears to be that the UK is still in deficit, though on a much smaller scale than in the first few months of 1979, when trade was disrupted by the road haulage dispute,

The overall trade position was, nevertheless, much worse officially expected last year. The outcome is estimated

THE UK ended last year with a at a deficit of £2.42bn. There small deficit on the current was a surplus of £714m in the account of its balance of pay- previous year.

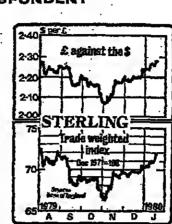
cut the deficit on trade in oil by £1.2bn to £804m.
The deficit on non-oil trade

November had been influenced per cent rise in the volume of favourably by the recovery from manufactured imports and an increase of only 14 per cent in

The Department of Trade pointed out yesterday that exhave made the figures look ports were affected by problems better than they would have in Iran and Nigeria where the lower than in 1978. Industrial disputes are likely to have led to some loss of orders gener-

> The growth of imports reflected in part strong consumer demand. In addition, the Department suggested, both exports and imports will have been influenced by a worsening in the competitive position of UK industry as a result of the rapid rise in UK costs and the appreciation of sterling.
> The surplus on invisible trade

narrowed hy roughly £1.4bn June when the Treasury fore- last year to £815m, mainly he-cast a £750m deficit for the causa of increased earnings by last year to £8t5m, mainly he-Continued on Back Page



BALANCE OF PAYMENTS (£m, seasonally adjusted)

		trade	Invisibles	SCCORUE
1978	_	-1,493	+2,207	+714
1979	1st 2nd 3rd 4th	~3,233 ~1,610 ~682 ~406 ~535	+815 +372 +107 +186 +150	-2,418 -1,238 -575 -220 -285
	Oct. Nov. Dec.		+ 50 + 50 + 50	-368 + 5 - 22

Editorial comment, Page 16 Lex, Back Page

New toy industry blow as Lesney plans cuts

BY DAVID CHURCHILL CONSUMER AFFAIRS CORRESPONDENT

received another blow yesterday time workers.

The move follows on a series of cuts in jobs and profits by most of Britain's big toy companies over the past year, including Dunbee - Combrex-Marx, Tri-Ang and Berwick Timpo. The industry's problems culminated in the closure just efore Christmas of Airfix Industries' Meccano factory in Liverpool with the loss of more than 900 jobs.

The Lesney redundancies also highlight the problems cansed by the appreciation of sterling for Britain's toy manufacturers, who export a third of their £305m output.

Lesney said it was making about 1,275 full-time employees

Matchbox toys, to cut its labour plans to close its Japanese sales on the finance for two recent force of 7,500 by about a sixth. subsidiary, which has proved unacquisitions, as well as on money

> stood to be spread throughout London and Essex.

planned cuts is expected to be profits of £5.1m. taken over the next few days.

rates. It exports over threeduction and its toys have been birth rate. redundant plus a further num- priced out of the market,

THE BRITISH toy fudustry ber, so far unspecified, of part especially in the fiercely-com-

with the decision by Lesney The company has alresdy cut The company is also having to Products, manufacturers of its staff levels in the U.S. and bear the higher interest charges The company is also having to The redundancies are under high stock levels

In the first half of its current Lesney's UK manufacturing financial year pre-tax profits fell plants but with the brunt from £3.4m to £0.5m on turnexpected in the East End of over up fram £30.5m to £41.2m. ondon and Essex. Lesney said yesterdsy that, Lesney's employees and nnion although the full year turnover representatives were told of the is likely to exceed £100m, pre-redundancies yesterday. A tax profits will be "sub-decision on whether to fight the stantially below" last year's

Lesoey has also suffered from Lesney appears to have other underlying pressures on become a victim of two of the the toy trade, which has retail msin pressures faclog the toy sales of over £600m a year, in Industry—the rise in the value cluding the increased buying of sterling and high interest power of supermarkets and chain stores and a decline in quarters of its die-cast toy pro- demand hecause of the falling

More cuts in tnytown, Page 21

Private steelmen may join strike

BY CHRISTIAN TYLER, LABOUR EDITOR

THE MAIN steet union appears ready to call its members in the private sector out on strike. representatives of 15,000 members of the Iron and Steel Trades Confederation emin private steel companies told their national offi-cials last night that they would obey any instruction to strike in sympathy with members in the State steel industry.

The assurance appears to bave een given reluctantly. Although militant strikers in the British Steel Corporation and some members of the union's national executive have been anxious to another view involve the private sector, some taken. workers—notably in South York-

groups are separate.

tive decides whether it is time to intensify pressure on the BSC and the Government by a decision that would inevitably be seen as overtly political. A clue to the union's tactics came last might from Mr. Sandy

strike co-ordinator. One question that would influence the executive, he said. was "the alleged non-involvement of the Government. If this becomes a political strike. will have to be

Feather, ISTC staff officer and

Since Ministers have firmly shire-have voted to resist any refused to get inovived in the dispute, it will be for the steel None of the private company unions—possibly after consulta-steelmen are in dispute with the with the TUC—to decide their employers, and throughout when and if the strike should the BSC strike the union be extended to put political leadership has said that the two pressure on the Government. Pressed to say whether yester-

The 25 delegates who met last day's delegate meeting bad night will be present today shown a consensus for or against when the ISTC national execu- a wideoing of the strike, Mr. Feather would only repeat that no union member, whether in the private or public sector, private sector men would follow their union executive's decision.

Elaborating on the political dimension, he recalled the leaked report prepared for the Cooservative Party in Opposiwhich suggested that if the party in government needed to stage a showdown with the trade unions, the steelworkers would be a good subject for confron-

Private steel companies produce about 33m tnnnes of finished products, compared with BSC's 13m tonnes before the strike. Strike effects, Page 6

BSC reshape plans, Back Page

CONTENTS .

Iran: a year without the Shah Civil Service staff cuts: signs of footdragging in Whitehall 17 Rhodesia: ceasefire resting on fragile

Spain: largest union out in the cold . 2 Turkey: facing a security dilemma 2 Management: inflation accounting-an academic confidence trick? 13

Gardens today: plants for all seasons by the pond Lombard: a solution to the funding system by Anthony Harris 14 Editorial comment: reasons for sterling's strength: a fair poll in Rhodesia ... 16 Nationalised industries: assets and the battle for compensation 28 Survey: Coventry 10-11



Stock Markets: For latest Share Index phone 01-246 8026

TV and Redio Unit Trusts

GOLD Price IA

Gold and silver up again

By David Marsh and John Edwards

THE LONDON gold price closed at a recard \$6\$7.50 an ounce yesterday, up \$3t. Demand effected silver, which reached a new peak in price.

The London silver spot quota-tion was raised by 163.6p to 1.919.7p a troy ounce st the morning fixing. It continued to rise in later trading to close above 1.940p.

On the London Metal Exchange, signs appeared of locreased speculative buying interest in base metals.

A substantial purchase, reported to be about 20,000 tonnes. boosted copper prices. The purchase helped to push copper cash wirebars up by £22 to £1,058 a tonne, inspite of heavy profit-taking sales in the after-On the tin market, the cash

price was forced up by £425 to £7,935 a tonne after heavy purchases by one dealer.
In the commodity markets.

sugar, the speculators' favourite in recent months, also recorded hig gains yesterday.

Nevertheless, the foreign exchanges were again largely

unaffected by the price surge in gold and other commodities. After a late-afternoon rally, the dollar closed higher against most leading currencies except The pound had another good day, finishing at \$2.2775, against

\$2,2760 overnight, after touching \$2.2967. Its trade-weighted index rose to 72.0 from 71.4. Coly three weeks after breaching the \$500 level for the first time, gold touched \$700 at York, for the January futures contract. Its bighest price in London in a day of fairly heavy

two-way trading was \$692.50. Money Markets, Page 26 .Farming and Raw Materials, Page 29

		•
£ in New	Yerk	
- .	Jan. 14	Previous
Spot 1 month	52,2850-2865 0.66-0.61 dis	52.2650-2645 0.43-0.56 dis

West fails to agree action on invasion

BY JOHN WYLES AND GILES MERRITT IN BRUSSELS

WESTERN NATIONS meeting in Brussels yesterday strongly condemned the Soviet Union's invasion of Agbanistan but were unable to agree on joint, specific countermeasures such as the U.S. bad hoped to see adopted.

EEC Foreign Ministers condemned the invasim as a viola-tion of the United Nations Charter, a serious threat to peace in the region and a "flagrant interference" in the internal affairs of a non-alinged country..

The declaration represented the EEC's first collective reac-tion to the invasion. However, its issua before Ministers em barked on a long discussion of possible measures to emphasise the Common Market's concern emphasised that the statement represented the easiest, if not the lowest, common denominator of agreement.

At a separate meeting in Brussels last night, the NATO Council failed to adopt any programme of concerted sanctions against the Soviet Union. Although U.S. officials had boped that a strong joint position would result from yesterday's meeting of NATO Mini-sters and ambassadors, member states have agreed only to take "appropriate individual

measures."
Dr. Joseph Luns, NATO
Secretary-General, said only that secretary-central, only one national measures by any one NATO envernment "will be NATO government "will be taken into account" by others No definite decision was taken on suggestions by U.S. officials that the meeting should

result in a common lina on sanctions against the Soviet Union. Measures put forward included a ban on high-technology traosfers to the Soviet Union as well as the controversial question of a boycott of the

Moscow Olympic Games.
The meeting, attended by Mr. Warren Christopher, Deputy U.S. Secretary of State, and Mr. Douglas Hurd, Minister of State at the Fureign and Commonwealth Office, also reviewed the question of aid to countries djoining Afghanistan, notably

David David Satter adds from Moscow: The Soviet news agency Tass said that the UN General Assembly's resolution calling for the withdrawal of Soviet troops was intended to undermina the security of the Afghan state " and constituted interference in Afghanistan's

Charles Smith adds from Tokyo: Japan will co-operate with a U.S. request to impose sanctions on Iran but wishes to except the Bandar Khomeini petrochemical project, in which the Mitsui group is heavily involved, and which is 95 per cent complete. It also wants assurancea of U.S. assistance in case Iran

retalistes against sanctions by cutting off oil shipments Irao supplied slightly mora than 16 per cent of Japan's oil last year Other developments, Page 3

Games switch call grows

BY FLINGR GOODMAN, LOBBY STAFF

national Olympic Committee to switch the venue for the 1980 games away from Moscow in protest at the Soviet Union's invasion Afghanistan mounted yesterday.

campaign, representing a wide spectrum of British political opinion both inside and outside Parliament, was launched, Over 100 MPs signed various motions circulating in the Commons calling for a transfer of the and condemning the Soviet Union's action.

Despite the pressure—and the Government's bellef that the Olympics could represent a powerful propaganda weapon in the West's armoury-neither the International Olympic Committee nor the British Olympic action effective, Britain would a months | 1.55-1.28 dis 1.50-1.48 dis | Committee were publicly pre- join it.

PRESSURE ON the Inter- pared to contemplate a switch in venue for the games at this stage.

Parliament, Page 8

Iran o ne year after the Shah,

Speaking on BBC Radio 4. Lord Killanin, president of the IOC, said it was "Moscow or nowhere." A "hands off Afghanistan"

The " hands off Afghanistan' committee formed yesterday under the chairmanship of backbenchers from the three main political parties recognised that it would be costly to move the games ont of Moscow and urged Governments to agree to meet

the hill. The Government has no power to ban British athletes from going to Moscow, bul the belief In Downing Street remains that if enough Western nations were prepared to take part in a boycott of Moscow to make the

Condensed Balance Sheet

(as of September 30, 1979)

ASSETS	in thousands of Yen	of U.S.S	LIABILITIES
Cash and One from Banks	¥1,790,544,822	\$8,018,561	Opposits
Call Loans	159,761,007	715,456	Gall Money
Securities	1,670,085,233	7,473,110	Bostowed Money Foreign Exchanges
Discounted	7,514,012,476	33,549,854	Due to Foreign Correspondents a/c, Cr., Foreign Bibs of
Correspondents a/s, Or Foreign Bills of	119,688,454	535,989	Exchange Sold
Exchange Bought	335,047,950	1,500,439	Exchange Payable
Exchange Receivable	258,207,058	1,201,106	Settlement arc, Cr
Settlement a/c, Or. Bank Prepises and	107, 160,112	479,893	Unestred Income
Real Esteta	166,368,136	700,395	Reserve for Possible
Other Assets Costospess' Limbilities for	82,809,559	370,844	Lose Losses
Acceptances and Guarantees	t,272,583,914	5,699,032	Allereances
Total Assets	¥13,476,308,520	\$60,350,688	Other Reserves Acceptances and Guaranjees
			Total Liabilities

561	Opposits	¥9,601,983,719	\$43,000,375
455	Gall Money	762,389,397	3,414,194
110	Borrowed Money	805,262,501	3,605,191
854	Due to Foreign Courspondents a/c, Cr	167,688,722	750,857
989	Foreign Sitts of Exchange Sold	1,350,417	S,848
439	Exchange Payable	2,817,465	12,617
106	Settlement art, Cr.	125,715,174	562,988
	Accrued Expenses	169,760,556	760,235
893	Unescried Income	45,805,892	205,132
395	Other Lightimes Reserve for Possible	. 57,893,706	259,264
844	Loan Losses	92,108,586	412,488
032	Allereances	38.512.483	172,470
	Other Reserves	24,999,876	111.956
888	Acceptances and Guaranjees	1,272,593,914	5,699,032
	Total Liabilities	¥13,168,882,218	\$59,973,947
	CAPITAL FUNDS	in thousands of Yea	in theorytics of U.S.S
	Canical (Paid un)	V90 100 000	C209 014

22 907 996

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Gilmour refuses to be specific on EEC budget

THOUGH STRESSING to compromise, Britain is not yet spelling out the size of the cuts it wants in its expected £1.2hn net contrihution to the EEC hndget, Sir

day.
Sir Ian was speaking after
talks with European Commission officials and Begian government representatives during his tour of EEC capitals to drive bome British thinking on its budget problem.

Reports of Mrs. Margaret ebout 49 per cent of the ComThatcher's talk on the subject munity average receipts per



Ian Gilmour: willing to

members of the European Parliament eppear to have caused Sir Ian some embarraes ment. He said that the British fying UK demands when she Ian Gilmour, the UK's Lord spoke of a aettlement which Privy Seal, stressed here yester would close three-quarters of the gap between Britain's receipts from the EEC per bead of population and the Community average. She was illustrating, he said, what might be achieved through a

receipts mechanism.". munity average receipts per head this year, be said, and, if Mrs. Thatcber's "illustration" were achieved, then more than £500m would be wiped off Britain's anticipated deficit. But British officials are more

or less reconciled to the fact that the rest of the EEC will not accept e receipts mechanism. The main diplomatic emphasis is now being put on defining projects in the UK which could be financed out of the KEC budget and which might correspondingly reduce British public spending. Sir Ian observed yesterday that increasing EEC spending in Britain would have to be done within the limits of the Community's hudgetary ceiling

This derives from the rule that the total EEC budget cannot exceed 1 per cent of member states' value added tax receipts. On present trends, Community spending may hit this ceiling some time next year without any special additions for the UK.

Call on Europe's jobless

pean Parliament urged to condemned Socialist proposal co-operate in a fresh effort to for curing Europe's unemployment speakers ment as "dated" and "archaic." on all ides urged ection to cut unemployment from the present official figure of 6.1m, or 5.6 per cent of the working British Conservatives belong,

Mr. Henk Vredeling, the Social Affairs Commissioner, told the assembly the actual number of people out of work in the EEC was probably nearer 10m. Women, the handicapped and socially deprived did not figure in

500,000 and 800,000 new people

believed it would be folly of the against unemployment unrelated to the parallel struggle against inflation.

This compared with the archaic world conjured up by the Socialist proposals, in which multinational companies were being cast in the role of witches in a modern witch hunt Unemployment was likely to and in which declining industise by 700,000 this year, tries were to he preserved and There would be between the "dead band" of the state would rest on all investment

Norway reduced inflation rate to 4.8% last year

BY FAY GJESTER IN OSLO

tion for Economic Co-operation is, however, to keep price in-and Development (OECD). The creases low, compared with figure announced yesterday by other industrial countries so the Central Bureau of Statistics that Norway's competitive posiwas well below the previous tion will continue to improve. year's 8.1 per cent increase. than the Labour Government be lost if the unions pitched bad hoped. A declared aim of the 15-month price and incomes nagotiations now getting uoder freeze, which ended on way. The leaders of the em-December 31, was to limit 1979 players' and workers' organisaprice increases to 4 per cent.

Mr. Per Brannsten, Deputy
Minister for Consumer Affairs,

tions, the NAF and LO, have stressed the need for moderate settlements this year, in the blamed the over-run mainly on national interest. higher import prices, particularly for oil. He said the result officials have been putting for-

was about what the Government ward some large claims, and in

The Government'a economic : pay.

NORWAY'S consumer price plans for 1980, as outlined in index rose by only 48 per cent the national budget, have set no last year, one of the lowest rates specific target for this year's of inflation within the Organisa- cost of living increase. The goal The ground won during the Even so, it was slightly blgher 15-month freeze could rapidly

accepted by companies able to

ties beve sounded the alarm recent uncontrolled growth of a "gray markat" in promissory notes for bouse purchases. Mr. Sten Walhers, head of the Bank Inspectorate, yester-day called the estimated SKr 10bn (£1.06bn) market "a social evil which must be stopped before it goes too far."

drive people from their homes in order to obtain payment Over the past five years house

SWEDEN'S BANKING anthori- prices have soured at the same can sell the notes to newly credits, is SKr 10-120n a year. formed finance companies et a discount. Such companies are tarrent controls. In some cases they have acquired the notes for 60 pec cent of their nominal value, according to Mr. Walberg.

authorities

Government refinance with the state pension fund or with the insurance the amounts they could make available. The savings banks, for instance, calculate that they could provide some SKr 400n

Moreover, the banks are still negotiating with the Riksbank (central bank) about the volume of credit which can be in Amsterdam made available for such lending. Mr. Walberg feared that the demand for loans would be much greater than the Riksbank could contemplate, given the heavy state budget deficit and the need for a strict credit

WEST GERMANY'S belance of payments deficit could grow to as much as DM 15bn-DM 18bn (£3.85bn-£4.6bn)

In the first 11 months of 1979 the first time the balance of payments has not been in sur-plus, since 1965. The major reason for the dramatic turnaround in West Germany's foreign trade account is the rapid rise in oil prices, which has doubled the country's oil bill in the last two years.

fight that began in the 1970s over the distribution of the world's resources would be intensified during the 1980s. As a result that only very modest growth rates would be possible in the Western

"A Deutsche Mark which is spent on oil cannot be spent again on higher wages, profits or increased public expenditure," he said. · Herr Helmut Schmidt, the West German Chanceller, has been advised by doctors to avoid undue strain while try-

Dutch pay THE DIFICH Govern

over

Union anger

decision to freeze wages for two months has prompted strong protests from the unions and confusion about the process nature of the controls. The freeze, described by one Minister as a rough and ready answer to the country's second nomic problems, could lead to a worsening of fragile lebon

The Netherlands' largest trade union federation, the Limmembers FNV, plans to take action aginst the freeze, which was imposed last week It will organise protest meetings during working hours in February, Mr. Wim Kok, the federation chairman, says. The traditionally more moderate CNV, with 260,000 members, has no flame diate plans.

tough interpretation given to the controls, which Mr Willem Albeda, the Social Affairs Minister, said would leave no room for "dodges," has thrown both sides of baddstry confusion. Employers into confusion. Employers, unions and Government wage experts met yesterday to discus the implications.

It has been established that increases which would have increases which would have taken place under registered wage agreements, which are legally binding in the Wetherlands, will be allowed Further agreements, which may not have been registered, hut under which payments have already been made, will also be per The position of two :agree-

ments reached in the daily and

meat processing industries just

hefore the freeze was being discussed yesterday. Negotiator made great efforts in the fina stages to reach agreement ahead of the threatened freeze Some employers are claiming that they have agreed to pay ments which have not yet licen made but which have already been fed into their computers and will be difficult to halt Others appear to be making holiday bomes payments in Jamery although normally these pay ments are not made until April
The Government was relucions to step into the wage arena, but gloomy economic forecasts reflecting the latest round of oil price rises. A programme of spending ruts and ofter-measures is expected to be announced before the end of

Swedish fears about market in house finance notes

BY WILLIAM DULLFORCE, NORDIC EDITOR, IN STOCKHOLM

There was e risk that promissory notes would end up in the bands of "usurers" who would

Swedes see

threat in

wood fuel

THE UPSURGE in world oil

prices bas mada wood more

competitive as a source of

fuel and threatens supplies of

round wood to the pulp and

paper industries, according to a report by the Swedish Forestry and the National

The report, commissioned by the

Government, calculates that,

in the sbort term, an in-

creased demand for wood for

burning will force up pulp

wood prices, seriously affect profitability of the pulp

industry and even lead to the

the two boards recommend

that the Government ahould

control the use of wood as

fuel by establishing large

use for fuel of softwood trees

with a diameter of more than

10 centimetrea at breast height

of wood for beating purposes

bas already increased sharply

among private bousebolds and

on farms. This development

Competition for wood would be

particularly aevere in nor-

thern Sweden, where prices for pulp wood are lower and

oil prices are higher than the

average for the country.

Wood could contribute some

7-8 per cent of Sweden's total

energy output hy 1990 and belp to reduce oll imports by

about 4m tonnes a year, the

This would call for new forestry

techniques. The forest owners

would bave to be induced to

take more timber from their

left to waste would add to

the costs of harvesting the The report, therefore, suggests that state finance would be

to harvest more wood:

mills and pulp mills.

The report proposes

Saudis may revise

ENI oil deal ban

in the longer run, a more effective organisation of

give a better return on invest-

ment and benefit the saw

and paper companies and con-

SAUDI ARABIA may reconsider oil sales to ENI, Italy's state oil

concern which were suspended

last Decmeher, when Investiga-

tions into commission payments

by ENI are concluded, Sig.

Frencesco Cossiga, the Italian.

holdings. A more effective use of tree fellings and collection of the wood now

report says.

could not be controlled.

The report notes that the use

In eddition, it should ban the

central heating units.

closure of some mills. To limit the conflict of interest,

By Our Stockholm

Industrial Boards,

time as Sweden's economic diffi-cuties have led to restrictions on bank credits to private hor-outside rowers. Building societies do not exist in Sweden and bank loans are the normal way of financing purchases of old houses.
Unable to obtain adequate Unable to obtain adequate Estate agents calculate that bank finance, house huyers have about 50,000 such promissory

increasingly resorted to issuing promissory notes to sallers. The promissory notes to sallers. The With an average sum of around notes are for terms of two to five SKr 60,000 (£6,370) this adds rates everaging 15-16 per cent. bank lending to the housing Owners selling their houses sector, excluding construction

notes are being issued annually. years with no amortisaion dur- up to an annual business of ng tha pariod and carry interest roughly SKr 3bn (£318m). Total

encouraged the banks to move into the promissory note market and, in December, the companies by the savings banks, the co-operative banks and the state-owned Pkbanken which could provide the extra loans needed by buyers of old houses. However, these companies would not be allowed to

companies. This would limit

Big deficit rise likely says Poehl

By Kevin Done in Frankfurt

this year, according to Herr Karl Otto Pochl, the president of the Bundesbank.

West Germany's oil imports.

which account for nearly 50 per cent of domestic energy needs, totalled just under DM 32bn in 1978, but this year the cost of oil imports is expected to exceed DM 60bn. Herr Poehl warned that the

ing to recover from an acute tonsilitis he picked up while on holiday in Spain, a government spokesman said yester-day, AP reports.

been followed. But industry cause appears to have been leaders yesterday estimated little advanced by the speech that if participation had been yesterday of Sig Bettino Craxi, complete, the total loss of out leader of the Socialist party, put could prove to have reached thanks to whose parliamentary by this cautious line. Curding communist union clout in Spain

abstention the minority Govern-

Attempting to quell profound

dissatisfaction with his leader-ship, especially on the Socialist

left wing, Sig. Craxi formally called for a policy of national

unity, embracing the Com-munists. But he opposed any precipitate action, warning that

he absence of a pre-agreed

solution could lead to a new

general election, which would

The Socialist left, however

wants an immediate move to

bring down the government of Sig. Francesco Cossiga, and is

unlikely to bave been mollified

ment survives.

resolve nothing.

needed to improve forestry methods and develop techniques which would make it profitable for forest owners forestry operations would ists and the Communists. It the middle of last year. involves a detarmined effort by those two parties, often acting change of tack by the Socialist in concert, to isolate the Communists. The hattleground is which claims some 30 per cent regional companies, owned jointly by forest owners, pulp sumer organisations, he set up to produce wood chips for

ture and commarce

largely paralysed yesterday by

general strike called in pro-

refusal to make the tax and

economic policy concessions sought by the unions.

throughout the country, thousands of workers attended

rallies in the ceotres of major

Italian cities, including Rome.

It was not immediately clear

Milan and Venice.

Despite heavy rain and snow

missions (CCOO). Prime Minister said vesterday, Reuter reports from Rome. Ha made the statement during a parliamentary commission hear-

Confederation of Workers Com-

which is liable to have a pro- communist party loses its most

The first step was a radical

A sodden rally in front of Rome's Arch of Constantine. But rain and snow throughout Italy

The organisers claim their

motives ware purely economic

But the strike has been widely

interpreted as implicit pressure

for the early entry of the

Communist Party into govern-

ment here, as the only means

of securing sufficient consensus

on a programme to tackle the

country's fundamental economic

at the core of a string of

important party gatherings over

The Communist question is

difficultias.

how fully the strike call had the next two weeks. But their

General strike paralyses Italy

TALIAN INDUSTRY, agricul- almost Ll,000bn (£550m).

Governmenta

the trades union movement of total union affiliation. The which is dominated by the union ceased trying to be more powerful communist controlled radical than the rival Confederation which had proved a wbolly ioeffectual Both the Government and frightening away members and the Socialists bave based their alienating the sympathies of strategy on the assumption that employers. The latter freely the essential strength of the conceded that they preferred Spanish Communist Party stems dealing with the more not from parliament where it disciplined Coofederation. Innot from parliamant where it disciplined Coofaderation. In-bas 21 deputies on only nine deed it was largely because per cent of the popular vote of this and rapidly declining but from its control of the con-federation of Workers Commis-sions which is the hest Socialists realised General organised trades union and Workers faced extinction as a valid nagotiating partner. The seemingly disparate grouping of Government and Socialist Party,

BY ROBERT GRAHAM IN MADRID A REALIGNMENT of political If the strength of confedera- prevent Confederation domina- and the General Workers held provisos that exempt such forces is taking place in Spain tion can be challenged then the ting the labour movement up. As a result in parliament increases, especially where result was the signature found effect on the foture relations of the three main parties card. This is precisely what the ment on labour relations of the three main parties card. This is precisely what the ment on labour relationa card. This is precisely what the ment on labour relationa card. This is precisely what the ment on labour relationa card. This is precisely what the ment on labour relationa card the community labour that the ment of labour relations of the card the community labour the sought to achieve since and the employers. The card the community labour the middle of last way. Geoeral Workers sought to establish Itself as a moderate

> of Spain's labour.
>
> The ensuing divisions caused within the trades union movement became evident in the autumn. Ford, long a testbench for industrial relations and considered something of a fief for the Communist Confederation, saw its workforce voting in favour of a General Workerssponsored motion not to strike. Then efforts by the Confederation to promote a series of railway strikes in national favour of apecial wage increases to accommodate inflation col-

The next source of conflict was the new labour lew to replace the old Franquist legisla-Employers and General Workers tion. Here the basic pact be-Union, found common cause to tween the employers federation

the Government and the Socialists were promoting a text against strong opposition from the Communists. The text was epproved just before Christmas. force out to capture the allagiance of uncommitted workers who comprise the bulk almost inevitable than the the confederation would refuse to endorse the two-year wage and

work conditions agreement signed at the weekend by the General Workers and the employers federation. This has left a clear split within that trades union movement and a sbarp division between the two major parties of the left. calculation of Government and the Socialists, general workers and the employers is that this pact on wages will prove the framework for individual company negotiations. It sets a wage band increase of between 13 and 16

the notion of productivity agreements. The Confederation will be hard pressed to squeeze The debate in Parliament on anything better in negotiating the new labour law led to the company pacts since.
bitterest exchanges ever The chief beneficiary of the bitterest exchanges ever The chief beneficiary of the between Sr. Felipe Gonzalez, split within labour is the the Socialist leader, and Sr. Government. Premier Additional States of the Socialist Counterpart. It was a pact with the main political a pact with the main political parties to establish wage levels for 1978—the so-called Moncloa Pacts of October 1977. Last year he resorted to a decree to avoid bringing the opposition parties into another social contract in part because it smacked too much of the Communist concept of government through a broad coalition of political forces. Now the parties the directly responsible for wages management and labour—are being allowed for the first time to negotiate. With the trades umons so spllt the need for such political support from the Communists—damaging anyway to Sr. Snarez within his own party

increases, especially where companies are in financial diffi-

culties. It has also introduced

Anxious West watches Turkey's problems grow

BY DAVID PALMER AND METIN MUNIR

ing on the ENI commission central committee member.

"WE ARE careful not to create to the Common Market. problems. I am trying to draw
a line. It is a very delicate line. there has been growing coocern
We don't want to create any in NATO capitals at the rapid problems that would irritate the deterioration Soviet Union." Thus bas Mr. internal affair

right-of-centre Prime Minister, nation tour re-emphasised that spoken of Turkey's cautious concern. The worry is whether ettitude towards the Soviet Turkey could fall victim to an ettitude towards the Soviet Union, its northern neighbour. But there is a second strand haps from within, and whether to the Prime Minister's thinking. Turkey needs military security. "We should not besidemine theory." tate to take the necessary

and individually," he says.
In his first two months in office, Mr. Demirel's minority government has set Turkey out on a course that would place the country firmly in the NATO was later followed by e major orbit of defence. While his predecessor, Mr. Bulent Ecevit, toyed with a vaguely defined "national defence concept," Mr. Demirel has sent his foreign stages the IMF, the OECD and the West's commercial handless. minister to Brussels. There he the West's commercial banking invited the NATO Ministerial system. Council to Turkish soil for the

the freeze imposed by Mr.

Ecevit on Turkish obligations

would irritate the deterioration in Turkey's Thus bas Mr. internal affairs. Lord Carring-Suleyman Demirel. Turkey's ton's visit to Ankara on his five-Iran-style disintegration, per-

defence measures, collectively Fresh funds

At the Guadelonpe summit last January, the stability of Turkey found its way on to the

first time in 20 years, and lifted little more than a holding operation. In spite of the relief is planning to build, effort and the inflow of fresh projects already running infunds, Turkey's internal clude an iron and steel plant, an economic and political problems bave continued to deepen. In

the wake of Afghanistan, the valuerability of Turkey has taken on new dimensions

Some of the principal issues Soviet-Afghan relations. mioisterial talks last week are: Turkey's dependence on the Soviet Union. Turkey shares a 300-mile horder with the Soviet Union. In eastern Anatolia it relies on Russia for part of its electricity. On the Arpacay river it is hullding a dam jointly with the Russians The oil bill is estimated at the produce hydro-electric S14hn and tha position is deteriorating. This year 45 per cent of export earnings will go the figure is expected to rise to 65 per cent. Estimated export earnings for 1980 are \$3.5bn. Inflation stands at Soviet Union. In eastern towards debt servicing. By 1982
Anatolia it relies on Russia for
part of its electricity. On the
Arpacay river it is hullding a
dam jointly with the Russians The oil bill is estimated export
to produce hydro-electric
power. Last year 10 per cent
of its oil imports came from
the Soviet Union, partly paid in
grain. (Mr. Demirel was notably

and 2m neople are unexplored. grain. (Mr. Demirel was notably

unenthusiastic about any pos-sible Turkiah participation in a Soviet graio embargo.) Over the past ten years the Soviets have supplied some population lives undar martial \$1bn in project credits to law, yet the political death toll Turkey. Last June there was an is between five and 10 a day)

aluminium smelter and an oil creeping civil war. refinery. No comparable pro- The state of Turkey's armed Arab world, aimed in part at Turkey a key to the West's

military that the country fact, on the way to replacing the armony is generally of post-from Libya, Iraq and Sandi required firm leadership. In U.S. as Turkay's higgest supthe wake of Afghanistan, the plier of project credits. This is part this has been caused by Since the Iranian Revolution widely sean in Ankara as belog similar to the initial phases of

• The deteriorating economy. Outstanding debts stand at some and 2m people are unemployed. Weak governments (Mr. Demirel heads a frail minority administration), political ter-rorism (about half of tha

November the Ecevit Govern- jects have been filinanced in forces. Apart from the air force, securing economic aid and oil response to the Afghanistan ment fell. In January there recent years by the United which has been strengthened by on concessionary terms. It is invasion and to the Iranian were warnings from the States. The Soviet Union is, in 80 Phantoms, the Turkish currently importing oil on credit crisis.

the U.S. appears to signal the start of a better period for rela-

Better period

Tha Turkish asmoury is not only the oldest in NATO, being a few generations behind thosa of the more prosperous allies. It is also far behind the weaponry of the countries surrounding it like the Soviet Union, Iran, Iraq, Syria, Greece and Bulgaria.

and Bulgaria.

Turkey's position in the islamic world: Although Turkey is officially a secular state, 99 Islamic stated foreign policy per cent of the population are practising Moslems. Turkey has two Islamic states in the world the other is Egypt) to maintain

NATO's problems with Turkey Turkey has gone out of its way since the 1974 Turkish invasion to keep its lines of communicaof Cyprus. The new defence co-tions open with both Tehran oparation sgraement signed with and Qom. But shortly before the U.S. appears to signal the Christmas Ayatollah Khomeini start of a better period for rela-tions between Turkey and its Turks have removed a number major allies.

denounced Turkey and the Turks have removed a number of their diplomats from Tehran. Iran'a territorial integrity is crucial for Turkey. If the Azerbaijanis or the Kurds secede they could fall under Soviet influence. In particular, Kurdish secession could have ominous consequences for Turkey which has the world's biggest Kurdish community living in feudal conditions in

two Islamic states in the world (the other is Egypt) to maintain diplomatic relations with Israel. Turkey. Last June there was an agreement with the Russians to look into projects totalling some of two nuclear power plants. Turkey and want more antonomy) add up to a politically, strategically agreement to in the population in 1923. Many Afghani officers crisis, Turkey is planning to build.

Turkey. Last June there was an is hetween five and 10 a day) a long historic relationship with (the other is Egypt) to maintain Afghanistan, the first country to diplomatic relations with Israel. Turkey is along historic relationship with diplomatic relations with Israel. The Afghan invasion, the oil in 1923. Many Afghani officers crisis, Turkey's creaking were trained in Turkish war economy and its strategic position. is planning to build.

Projects already running include an iron and steel plant, an NATO ally face-to-face with a listantic heritage in a mounting the Western world and linking the Weste diplomatic offensive within the the Islamic Middle East all make



per cent bot has a number of -has been removed.

dominate the Islanbul skyline. Though a country, Turkey has been emphasizing its Islamic heritage

en lie en la

Gandhi Cabinet moves to abolish special courts

BY K. K. SHARMA IN NEW DELHI

try the Prime Minister are detained political opponents.

Histor to be abolished; which if the special courts are means proceedings will be abolished, the cases will autodropped in at least two of the three cases against ber. This became clear yesterday.

day after Mrs. Gandhi was sworn in as India's Prime Minister following her landslide election victory last week. Justice Mangi Lai Jain, rating on a petition filed last year by Mrs. Gandhi, held that the Jananta Government had not acted constitutionally in setting up special courts to hear charges against her. The new Government has tried to give the impression that it will not interfere with the judicial process, but Mr. P. Shiv Shankar, the new Law Minister. said on Monday that he would

which special courts were set day night. up. He called the legislation The new Cabinet met yester-"obnoxious." The courts were day to take stock of the political set up to avoid long delays that and economic situation but has are normal in the Indian yet to amounce any remedial judicial process.

These are likely to

INDIAN Law Ministry officials election. The second involves size to re-examine charges of charges that she used her corruption and abuse of power official position to assist her son indged against Mrs. Indira Sanjay's car manufacturing Gandhi by the Janata Govern project. The third involves ment Special courts age up to charges that ahe illegally

matically be withdrawn and this appears to be the easiest way of dealing with them. One of the special courts yesterday declared itself incompetent to try the cases against Mrs. Gandhi on the ground that they were time barred. There are indicationa

the Government is also con-sidering withdrawing the theft and conspiracy case in wblch Mr. Sanjay Gandhi was convicted and sentenced to three years' imprisonment. He is now on bail pending appeal.

Mrs. Gandhi has promised not to be "vindictive" and so

is unlikely to take reprisala against members of the two scrap the special courts. Governments that preceded Mr. Shankar has said that he her. She made her promise in plans to repeal the Act under a nationwide broadcast on Mon-

The new Cabinet met yester-There are three cases pend- be worked out in the next few ing against Mrs. Gandhi. The weeks and to be announced first involves an acusation that when the first budget of the she, with others, conspired to new Government is presented obtain 139 jeeps in the 1977 to Parliament on February 29.

Thailand lifts 15% ceiling for interest rates

BY RICHARD NATIONS IN BANGKOK

THAILAND yesterday revised its Government-controlled in ture allows an increase of terest rate structure, increasing about 3 per cent on both bankthe maximum commercial bank ing deposit and loan interest lending charge to 18 per cent rates. from the long-standing ceiling. The

by a 30-year-old usury law panies can charge no more than which set the 15 per cent cell 20 per cent. Bank of Thailand

last month to exempt all finan- sidised loans at 7 per cent.
clal institutions, including com- ... The Bank of Thailand hopes mains in force. The new arrangement is designed to con-dition the Thai economy to

The new interest rate struc-

The maximum commercial banks can charge for loans is Interest rates were controlled 18 per cent, while finance comloans will still favour export The legislature agreed late and industrial sectors with sub-

mercial banks, from the usury that reducing the gap between law, which still nominally rethe rate of inflation, running close to 20 per cent, and the interest rate on deposits will belp commercial banks to floating interest rates more in mobilise more domestic savings line with volatile world capital and reduce their dependency on expensive foreign borrowing. . Reuter Mark Webster reports from Bulawayo on the work of the Commonwealth monitoring force in Rhodesia

Ceasefire resting on fragile trust

Lieutenant-Colonel Peter Treneer Michell of the Commonwealth monitoring force based here in Sonth-West Rbodesia is banded a location chart detailing the position of all Rhodesian security forces and police in his area, and their movements during the previous

Lieutenant-Colonel Treneer Micbell is in charge of monitoring the Rhodesian security forces in the Tangent area, one combatants bave the will to of five operational areas into make it work. the Rhodesian army dividea the country. Like his four fellow colonels

in Rhodesia's five operational areas, he relies beavily on the ocation chart for knowledge of what the security forces are doing. The fact that the chart is compiled by the Rhodeslan military themselves reflects the high degree of trust on which the entire monitoring operation depends.
The same trust is needed in

monitoring the Patriotic Froot bases. The Commonwealth monitors readily admit that they cannot hope to patrol the long. PF camps and must rely on the

Afghan leader

names hardline

Deputy Premier

Mr. Assadullah Sarwari waa

Revoluntioary Council and a

Also prominent in the new

hierarchy are Afghanistan's for-

Mr. Noor Ahmad Noor, and

their attack on former President

Amin's palace at the start of the

secret police of President Amin,

but said it would create a new

security service modelled on the Soviet KGB.

Afghanistan's northern frontier

with the Soviet Union.

.The

member of the Polithuro.

FIRST THING every murning, guerrilla commanders to keep killing seven of the guerrillas, tional areas, in the Lieutenant-Colonel Peter Tre- them informed on their move- The police reported that they Rhodesian barracks.

There are some 1,300, Commonwealth troops to keep track of about 21,000 guerrillas in assembly places and around 12,000 regular Rhodesian forces. together with an estimated 20,000 black auxillary troops. As Maj. Gen. John Acland, commander of the force, bas asid continually, the ceasefire cannot work unless the former

incidents have been rare. But in one incident near the town of Lupane last week, things went radically wrong. The Rhodesian police said after the Incident that part of a band of armed guerrillas boarded a bua and were apparently head-ing towards an assembly place. Under the terms of the

In the Tangent area, serious

amnesty in force in Rhodesia they are entitled to go to the assembly areas only if they first surrender their arms. They refused to do so, according to the Rhodesian authorities, and Rhodesian security forces, who had been called in hy the police, opened fire on the bus, in each of the other four opera-

KABUL — The President of Afghanistan, Mr. Babrak Kar SAUDI ARABIA is understood there had been 20 Afghan or

The assurance came during Lord Carrington's two-day visit

to President Zia-ul Haq. the

Pakistani Head of State during

talks in Islamabad yesterday.

the re-equipment of its armed

returned from a visit to Saudi

Arabia as part of Pakistan's

wide-ranging attempts to eolist

the country in the wake of the

Russian invasion of Afgbanistan.

President Zia said yesterday

Pakistanis an allegation that Afghanistan.

Additional finance is being

arms by Pakistan.

Three military men will also be that it would be prepared to included in the seven-man ruling help finance the purchase of

yesterday named Deputy Lord Carrington's two-day visit Premier, Vice-President of the to the kingdom and he conveyed

mer ambassador to Washington, sought by Pakistan to pay for

Colonel Mahammad Aslam forcea beyond what it might Watanjar, said by diplomats to receive from the U.S. Pakistan's have helped Soviet troops in Foreign Minister bas just

announced the disbanding of the support for the strengthening of

Soviet KGB.

that as a result of prelimioary
The bitterest fighting in which talks with the U.S., it was his

Soviet troops are still involved impression that there would be is believed to be in the north no attempt to attach conditions east of the country, which forms to renewed military aid.

new Government bas Moslem, Chinese and western

Saudis ready to help

Zia's arms purchases

The police reported that they Rhodesian had been unable to contact the monitoring force or the PF liaison officer before the shooting began - something which both think unlikely as they have 24-hour communications. An inquiry is now taking place into the Incident. But as the Patriotic Front ZIPRA liaison officer remarked: "The theo-

During a visit to the area known as Tangent last week to see how the monitoring force worked on the ground, Col. Treneer Micbell said there were 202 men to keep an eye on Patriotic Front assembly bases.

leaves a lot to be desired."

The figure for the Rhodesiaos is a well-kept secret, as is the number of auxiliaries—the hastily-trained armed men loyal for the most part to the outgoing Prime Minister, Bishop Abel Muzorewa. They are now officially part of the Rhodesian army.

northern horder with Afghanistan since April 1978.

matioo is at odds with remarks made by Gen. Zia last night

which accused to imply that

Pakistan would respond to cross-border raids. "When a

foreigner enters your territory

with aggressive intentions you

do not go and kiss him on the cheek," he declared in response

to a question about Pakistani

reaction to any bot pursuit from

The President added that he

would not allow Pakistan to be

used as a sanctuary or base for

carrying out subversive actions

been making clear to both the U.S. and Britain that it wants

to establish domestic maoufac-

turing facilities for heavy armour over the medium term

Peking: Mr. Hnang Hua, China's

Foreign Minister, is to visit

The British delegation was Pakistan later this week for

Tony Walker reports from

The Pakistani Government has

across the Afghan border.

border raids.

This so far unpublicised infor-

The men monitoring the Rhodesian . security forcea in Tangent are hased, as they are

Treneer Michell, who comes from the second battalion, the Royal Green Jackets, has an office in the Rhodesian Jnint Operations Centre (JDC) Operations barracks, in Bulawayn.

There he has a staff of a Major and nine NCOs. At each of the three sub-Joins Operations Centres based in Tangent retical part of the monitoring is excellent. The practical part —in Bulawayo, Wankie and Gwana—he has one officer and two NCDs. These nine men are supposed to monitor not only the local Rhodesian troopa but also the auxiliaries. At the bottom of the monitor-

ing ladder are eight teams of two men each—one officer and one NCO—to monitor an estimated 30 to 40 company bases to which all the Rhodesian forces not in the main barracks have withdrawn under, the ceasefire terms. Col. Treneer Michell moves

the eight teams around to

poteotial nr actual trouble spots but they have, he says, no transport of their own and must rely on Rhodesian military transport to get around.

The four Patriotic Front
assembly areas in Tangent are monitoring force personnel at bush paths.

bury.

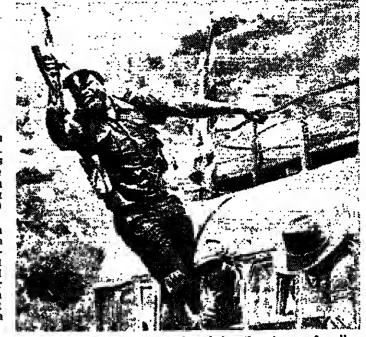
boundaries
bury.

boundaries
in some cas
assembly areas in Tangent are monitoring force personnel at bush paths. transport to get around.

Sadat under

U.S. facilities

fire over



Patriotic Front guerrillas acknowledge the cheers of wellwishers as they ride to an assembly point.

eveo more tenuously monitored. each assembly place, has now There are two separate com- been swelled with the arrival of mand posts based in a hotel just ten more soldiers as well as of Bulawayo-one for engineers and medical per-ZIPRA, on the ground floor, and sonnel. The camp boundaries one for ZANLA upstairs, cannot be patrolled by so few Attached to each command post men, but Lt.-Col. Peter Field, is a PF liaisoo officer who is in Col. Treneer Michell's countertouch by radio with the men at part who is responsible for the assembly places and his own monitoring ZIPRA and ZANLA military commanders in Salisbury.

mixed bases, says that the boury. in some cases by freshly made

Iran presidential nominee prepares to step down

mal, has announced that a hard- to have told Lord Carrington, Soviet air strikes against PRESIDENT ANWAR SADAT line Marxist will be his deputy, the British Foreign Secretary, refugee camps near Pakistan's has come under sharp attack planned for January 25 have has come under sharp attack inside Egypt for his decision to

grant military facilities to the United States. Mr. Ibrahim Shukri, leader of the opposition Socialist Labour Party, said yesterday that the decision was undemocratic and harked back to the days of one-

man, one-party rule "from which we suffered so badly." Writing in the party news-paper, Al-Shaab, Mr. Shukri demanded that matters vital to the country's national interest should be brought to Parliament

before any final decision President Sadat repeated last week that Egypt would provide facilities for the U.S. should it wish to come to the ald of Arab countries in the Gulf, but stressed that the Americans would not be provided with

bases. General Kamal Hassan Ali. Minister of Defence, later disclosed that U.S. and Egyptiao military aircraft had recently surprised to hear from the discussions on developments in carried out training exercises

BY SIMDN HENDERSDN IN TEHRAN RAN'S presidential elections causes. One is that the party

been thrown into doubt hy confusion surrounding the candidate of the Islamic Republican Party, the main political organisation supporting Ayatollah Khomeini. The candidate, Mr. Jalaloddin

Farsl, was yesterday reported to be on the point of stepping down. The report followed two-hour meeting with Ayotalab Khomeini at the weekend, and meeting of the Central Council of the Islamic Republican Party on Monday.

Mr. Farsl, a comparatively unknown figure until he was adopted by the Islamic Republican Party, is now reported to be a doubtful candidate because one of his parents was from Afghanistan, and therefore he is not completely of

'Iranian orlgin." Such a simple reason, hardly seeming credible after several weeks of exposure as the candidate in the Press, radio and television, has led to considerable speculation of darker ties remain.

ia divided and that internal battles are now surfacing in the form of disagreement over Mr. Farsi's candidature. Whatever the reason, the con-

troversy is likely to be a severe blow to the party, damaging its crediblity as the foremost political organisation in revolutionary Iran.

So far it is not clear whether any other personality is being coosidered for the party ticket in Mr. Farsi's place. Other mainstream revolutionary candidates runoing are Mr. Abolhassan Bani-Sadr, the Finance Minister, and Admiral Ahmad Madani, bead of the navy and Governor-General of Khuzestan province, who has resigned both jobs to run. Mr. Sadegh Qothzadeh, the Foreign Minister is considered ao outsider.

The elections are an important part of the establishment of a permanent government in Iran. However, after the disqualification of nearly 100 candidates as unsultable, only about 10 estab-lished revolutionary personali-

OUR FIRST ASSIGNMENT SAYS A LOT ABOUT US.

The place was Germany.

The year was 1903.

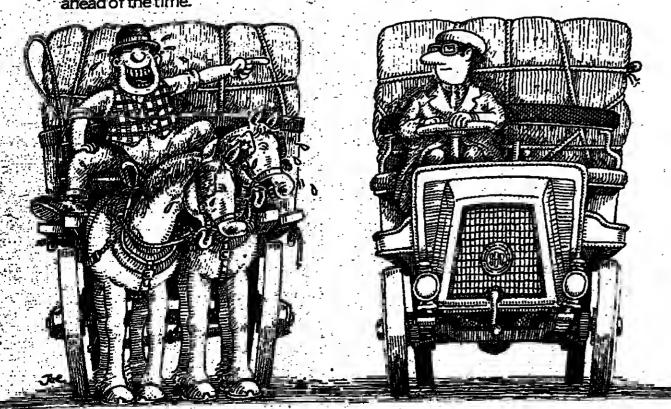
The problem was to establish on behalf of the owner of a horse-drawn cart that a motorised vehicle would be cheaper to operate. A challenging problem we think you'll agree and the first of many we have resolved in Europe over the last seventy-odd years.

Since then the experience we have accumulated over the years has made us one of the respected bodies in Britain on all aspects of fleet

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takes Spain closer to NATO

THE hastily-arranged six-hour meeting in Washington on Monday hetween Sr. Adolfo Suarez, Spain's Prime Minister, and President Jimmy Carter pro-duced a communique which, desplte its vagueness, is being interpreted as a further step by Spain towards acceptance of the idea of NATO membership. Sr. Suarez declined to give details of his talks when he returned here yesterday. But the communique stressed the two leaders' belief in the need to "reinforce Western security and express this in concrete measures" in the light of the Soviet invasion of Afghanistan. Spain is under some pressure to make an early commitment to NATO, But Sr. Suarez is understood to have said that any decision should be withheld until after the European Security Conference follow-up meeting, due to be held in Madrid in November. A decision before that, Spain feels might give the Soviet Union an

excuse oot to atteod. Although Sr. Suarez said U.S. military use of hases in Spain for Middle East flights was not discussed, President Carter is understood to bave heen anxious to know precisely where Spain stood on the issue.

Suarez visit Union leader backs Kennedy

BY DAYID BUCHAN IN WASHINGTON

SENATOR Edward Kennedy yesterday received the personal endorsement of Mr. Douglas Fraser, president of the United Auto Workers' union, giving his presidential candidacy a small but badly needed boost in the final week hefore the Iowa delegate cancuses of January 21.

Union support is not, generally, the electoral advantage it was before the percentage of U.S. workers who belonged to unions begao to slip in the last decade. But the UAW is an unusually politically active and cohesive union, and its 1.4m members are likely to follow

their president's lead, UAW branches, now working on Senator Kennedy's behalf in the farm state of lowa, will have more impact later when the campaign switches to the traditionally Democratic indus-

tria) states.

The union's support proved vital for Mr. Carter in 1976, and he has vainly tried to retain it, appointing Mr. Leonard Woodcock, its previous president, as ambassador to China, halling ont the Chrysler car company, and most recently sending Mr. Walter Mondale. the Vice-President, to plead with unioo members. On Sunday, Mr. Mondale told a UAW meeting: "I come before you office without your sup-

with Mr. Carter, whom he and the traditionally liberal UAW regard as unresponsive to union coocerns. The UAW is also attracted by Senator Kennedy's opposition to Mr. Carter's decision to de-control domestic oil prices. In so far as this has helped to raise petrol prices, they feel, it has hit car sales and created lay-offs in Detroit. The UAW is likely to move closer to the AFI (IO) sales closer to the AFL-CIO union federation, under the leadership of Mr. Lane Kirkland, than when the federation was run hy Mr. George Meany, whose funeral in Washington was attended yesterday by President Carter.

Indeed, there is a possibility that the UAW, for two decades ontside the AFL-CIO fold, may join it again. But, officially, the AFL-CIO will stay uncommitted about which Democratic caodidate to support until the party makes its choice this summer. Local lowa polls - have now

given President Carter a lead which even his grain embargo on the Soviet Union, anpopular among many farmers because it not dent. Senator Kennedy's campaign officials, although stressing the hreadth of their the onus is always on a front



Senator Edward Kennedy ...

Mr. Ronald Reagan, the Republican front runner, is feelpointedly did not appear with his rivals in a televised debate in lowa a week ago. This was taken amiss by many Iowans, organisation throughout the whose Republican preferences state, have not disputed the recent gains by Mr. Carter—for George Bush expected to do the sound tactical reason that well, and the state's popular governor, Mr. Robert Ray, takport."

runner to perform well, and ing exception to television accident in which Mary Jo Mr. Fraser's quartel has been that any gains by other candi-advertisements which implied a Kopechne died, as "a very not with the Vice-President, but dates look the more dramatic. gibernatorial endorsement of serious misrepresentation."

We studied world timber markets

before advising a Finnish client on cash flow projections and foreign currency debt structure.

Mr. John Connally, and leaning towards the candidacy of Sena-

tor Howard Baker.
All candidates, on both sides of the political side, have been smarting at the restraints placed on their foreign policy discussions by the Afghanistan and Iran crises, and the feeling by many voters that President Carter should be given unanimous support in a trying These restraints may soon, however, be partially lifted by Mr. Carter himself. who is planning to address the nation on his new doctrine aimed at containing the aggres-sive influence of the Soviet

White House officials say the forum may be the President's January 23 State of the Union speech, which has already gone through two drafts to take account of foreign developments. In any case, the President is scheduled to be interviewed on talegiston. interviewed on television

Renter adds from New York: Senator Kennedy's account of the 1969 car accident at Chappa quiddick, in which a young woman died, is false in several respects, according to studies published by the Readers' Digest magazine.

A spokesman for Senator Kennedy on Monday night described the magazine's claims hased partly on the first-ever computer reconstruction of the accident in which Mary Jo

Brazilian foreign debt tops \$49bn

SAO PAULO — Brazil's foreign debt, including public and private sectors, grew by 13.65 per cent to \$49.45bn in 1979, according to preliminary central bank figures published

yesterday. Reserves fell from \$11.89bn at the beginning of 1979 to about \$10bn at the end of the year, according to Sr. France Columns the management of the Galveas, the governor of the central bank.

The net debt-total debt less reserves—was \$39.5bn at the end of the year, up 25 per cent from the previous

Exports, according to the preliminary figures, \$15.1bn, compared \$12.7bn in 1978. AP-DJ

Diana Smith adds from Brasilla: Brazil's urgent drive to reduce oil consumption. introduce alternative fuels has begun to pay off, according to 1979 figures now released by the national oil monopoly, Petrobras.

monopoly, Petrobras.

While consumption of all oil derivatives grew by 7.12 per cent in 1978, growth slowed to 5.52 per cent in 1979. Compared with 1978, consumption of fuel oil dropped by 18 per cent and of petrol by L1 per cent. Between them, these items account for 51 per cent of all derivatives.

Mexico unveils another large oil discovery

field in the southern oil zone of.
Reforma-Cactus with reserves calculated at 1.5bn barrels. In separate development yesterday Mexico began selling natural gas to the U.S.

at the opening of a meeting of Latin American state oil company experts. The discovery strengthens Mexico's credentials current proven reserves of 45.8hn barrels, the sixth largest in the world. A spokesman for Pemex said the discovery of the

PEMEX the Mexican State of almost two years of bitter monopoly, has announced the recriminations between U.S. discovery of a new "giant" oil and Mexican officials over the "right price." It began yester-day at a level of between 50m and 100m cubic feet.

The contract is initially for 300m cubic feet a day at \$3.625. per 1,000 cubic feet. It will be The announcement of the revised quarterly according to new field was made by Sr. Jorge an OPEC-related formula. At Diaz Serano, Pemer's director, current prices the sale is

worth \$1m a day. Sales will huild to 300m cubic feet once the technicalities of strengthens Mexico's credentials using the 774-mile 48-inch as an emerging world oil power. diameter pipeline. The line However, Sr. Jorge Diaz was specially built from Cacins Serano di not upgrade Mexico's in the southern oil fields to San-Fernando near Monterrey in

the north, are mastered.
For the past two years Mexico has been flaring natural ga new field, known as continued pride, for mational pride, for matio estimated 1.5hn harrels feet a day, a figure regarded could be recovered. with scepticism since it is.

The natural gas sale was first known that offshore 100m cubic agreed last September, after feet alone a day is being flared.

Oil imports to be cut by 9m barrels a day

PRESIDENT JIMMY CARTER'S explore new oil and gas reserved energy initiatives, both those Of prime concern to managers already in effect and those still of small companies is an easing on the drawing board, will and simplification of governmenter of the concern to managers already in effect and those still of small companies is an easing on the drawing board, will and simplification of governmenter of the concern to managers already in the concern to managers already in effect and those of small companies is an easing on the drawing board, will and simplification of governmenter of the concern to managers already in effect and those still of small companies is an easing on the drawing board, will and simplification of governmenter of the concern to managers already in effect and those still of small companies is an easing on the drawing board, will and simplification of governmenter of the concern to managers already in effect and those still of small companies is an easing on the drawing board, will and simplification of governmenter of the concern to managers already in effect and those still of small companies is an easing on the drawing board, will and simplification of governmenter of the concern to managers already in effect and the concern to managers already in easing the concern to managers already in the

Addressing a White House conference on small husiness, the Treasury chief commented that without federal government action, U.S. oil imports could have risen to 13m to 15m of the President's promise to h/d by the end of this decade. put the hudget into balance by He used the speech to give an 1981. h/d by the end of this decade. He used the speech to give an-11th-hour plug for a windfall oil profits tax, on which both houses of Congress are slated to reach a final compromise at the end of the month.

The tax, Mr. Miller said, would provide money for developing new energy sources, while leaving the oil companies ample pronesses which did not have
fit—from decontroled and arrays of accountants and
higher domestic oil prices—to lawyers.

hy close to 9m barrels a day Mr. Miller stressed the Admini-(b/d) by 1990, Mr. William stration was trying to reduce over the long term the demands of the federal government on the economy. Advance reports of the new budget, to be un-veiled on January 28, indicate a planned \$15bn budget deficit, half this year's, but still short

> "In the first two years of this Administration government-created paperwork was cut hy about 15 per cent overall, Mr. Miller claimed. The effort to reduce it further was contiming, he said, with the major benefit accruing to small husi-

Gunmen free envoys in El Salvador exchange

SALVADOR — Leftist assadors and four other hostages held at the occupied Salvadorean authorities freed seven prisoners from jail.

Amhassadors David Pere of Panama and Alejandro Alvarado Piza of Panama were set free unharmed by the Popular League of February 28, a Leftist anti-Government protest

About 50 armed members of the group stormed the embassy last Friday and took the hostages to demand the release of seven comrades arrested by security forces nearly a month ago. The El Salvadorean Government released the seven after an appeal from Panama and

Meanwhile Mr. Gardner Dunn, gunmen have released two am- the South African ambassador, was still being held hostage by a Marxist guerrilla group and facing possible execution unless the Government met his kid-

nappers' demands. The El Salvador Government has refused to meet these demands, which include recognition of the Palestine Liberation Organisation. The group said in December that Mr. Dum would die on January 15 if the demands were not met.

Mr. Dunn was taken hostage by the Popular Liberation Forces. The group is one of three guerrilla groups active in El Salvador, central American nation, and set the deadline after postponing Mr. Dunn's original execution date of

Panama Opposition to boycott election

PANAMA CITY—Most Oppo-sition parties plan to boycott next summer's elections for an expanded National Legislative Council (parliament).

Their move comes as Panama is facing economic problems, as well as continuing difficulties with students opposing the presence in Panama of the deposed Shah.

The Opposition parties say they plan to boycott the Angust election to deny the Government the trappings of democratic

legitimacy.
"We will not take part in the elections unless legislative and other institutions are given more powers and independence. because to do so would only give legitimacy to these pupper insti-tutions," said Dr. Ricardo Arias. Calderon, of the National Oppo-

The front groups 10 political parties, many of which cannot yet meet the electoral registration requirements, and none of which have contested an election since 1968. Still, most diplomatic observers agree that the front has the potential to challenge the ruling government political body, the Revolutionary Demo-cratic Party.

Dr. Arias Calderon said the

Opposition could bide its time because the problems facing the Government made its continued hold on power impossible except through electoral fraud or with

Senior officials of President Aristides Royo's administration agree they face many problems. But they dismiss allegations of electoral fraud.

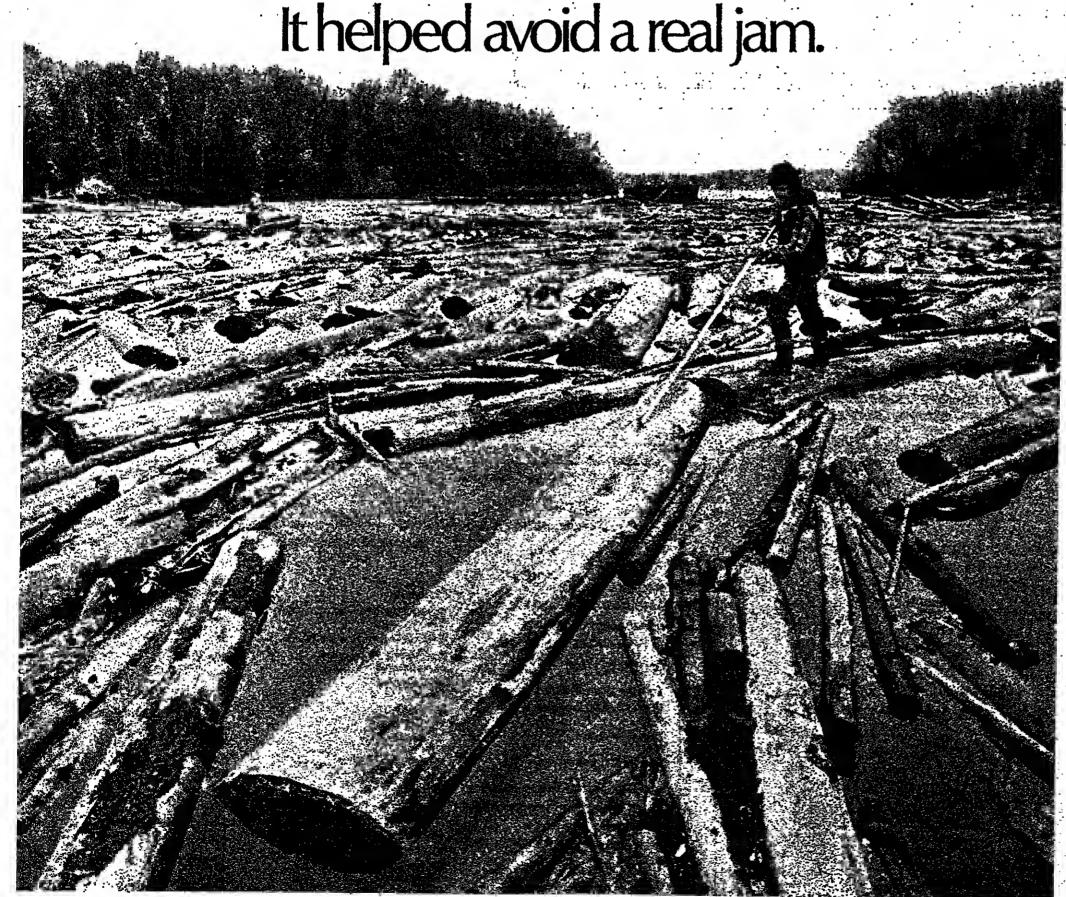


Gen. Omar Torrijos . still in control

"The real reason Opposition parties are hesitant to take part in the elections is because they're a spent force," a Government official said.

In recent years there has been no way to judge the popularity of the Opposition parties. In 1978, elections were held for the first time since Brig Gen Omar Tarvilce and the National Guard Torrijos and the National Guard took power a decade ago. But only the traditional Opposition Liberal Party took part

Although Gen. Torrijos prefers to remain in the back-ground now, he is still the real



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foreign currencies.

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Ford to build Berlin parts plant

THE FORD Motor Company is Stobbe, and Mr. Robert Layton, ing the site and will erect the income taxes are 30 per cent to build a DM 130m (£34m) fac. director of the Berlin Economic plant, which will then be leased lower. tory in West Berlin to produce Development Corporation. Mr. lightweight components for car Layton was a former chairman interiors that will be trans- of Ford in Cologne. lightweight components for car ported across the East German Autobahn to Ford's factories in West Germany.

The investment will be the largest single one in Berlin since BMW completed a DM 210m motor-cycle plant in the city last

Ford of Europe, is to be present in Berlin at today's formal for barges carrying oil and conanouncement of the factory, together with Mayor Dietrich

The Ford factory is to be built

on a site of just over 100,000 square metres south of West Berlin just opposite the East German town of Teltow across

the Teltow canal.

The canal is to be reopened by East Germany for barge traf-Mr. Robert Lutz, chalrman of fic from West Germany in a few years, but it will mainly he used The city of Berlin is purchas-

to Ford on a long-term basis.

City economics officials note, however, that the main advantages for Ford will be a reduction of its turnover tax by between 4.5 per cent and 6 per cent, depending on the value added to the product in Berlin.

4.2 per cent reduction ln its turnover tax. Corporate income Germany,

The Ford plant is expected to employ 700 West Berliners when it is completed next year and more after an expected expansion. Among the products to be manufactured will be dashboards, door panels and other lightweight plastic mouldings.

ford, as the buyer in West Berlin investment three years Germany, will receive another ago when it was preparing to 4.2 per cent reduction in its build a new engina plant. Wales, however, was ultimately chose taxes in West Berlin are 22.5 for the plant, but talks between per cent lower than in West Ford and the city continued while individual since on a suitable project.

Talbot cuts herald drop in car sales

A SHARP reduction in working hours at Automobiles Talbot the former Chrysler-Simca subsidiary of the French PSA Peugeot-Citroen group, under-lines the increasing problems of the company in the face of an expected decline in the French 1979, while its market share

April, Taibot is planning to cut

Despite the hnovancy of the steam after hreaking all records 4 per cent in French car aales
the working day in all of its
rest of the French industry last in 1979. Although monthly this year against total registraFrench factories except the
foundries by 1 hours from reduced hy 15.5 per cent to the previous 12 months right its problems appear to go
Monday each week 587,000 cars as the new Taibot until the end of 1979, the further than simply dealing with In addition, the plants will close completely for six full days spread over this period, with the 22,000 workers involved receiving 50 per cent of their group is aiming to reduce its sales to drop this year.

Aerospace Correspo

Tampa and Orlando.

LAKER AIRWAYS has applied

to the Civil Aviation Authority

for rights to fly between London

(Gatwick) and Miami and other

estinations in Florida such as

Laker's application for the

route can be interpreted as a hid to have the Miami route upgraded from the present "single designation" status

(served by one airline from

each country) to "dnal designa-

tion" status (served hy two

airlines from each country).
This topic is likely to be on

the agenda for the forthcoming

Anglo-U.S. air services talks.

which open in London on

year's sales. Its registrations demand, it is still expected dropped in France by 7.5 per make a heavy loss in 1980. cent to about 560,000 nnits in Between now and the end of cent from 10.7 per cent in 1978. market is at last running out of pril, Talbot is planning to cut

Silpped to a little under 9 per evidence that the French car market is at last running out of pril, Talbot is planning to cut

Despite the hnoyancy of the steam after hreaking all records

ontput, currently running at But there is still no unanimity since the takeover hy PSA.

Taibot's decision follows the about 1,300 units a day by some on how serious this fall will be closure of its plants between 15,000 cars. But despite these Ford, which has a good record December 20 and January 2 in measures, designed to reduce in its forecasting, calculates demand, it is still expected to

management tried to reduce the margin of improvement has been steadily declining. A evidence that its new manage-number of companies have now ment has been able to convince high cost of stocks in the been steadily declining. In the next four months, the openly stated that they expect the public that a radical change

its stocks closer to the level of that registrations could go down by 6 per cent in France in the first half of this year while Talbot'a action gives greater Renault is still only talking weight to the gathering about a "moderate" fall.
evidence that the French car Talbot is calculating Talbot is calculating on an

overall decline of between 3 and this fall. So far, there is little

Laker bids for **Dutch negotiate China credits** Miami route By Michael Donne.

BY CHARLES BATCHELOR IN AMSTERDAM

A GROUP of Dutch banks hopes ject which was first considered to reach agreement with the when Dutch construction and Bank of China to provide dredging companies announced

of Dutch capital goods. The consortium will be led by Algemeine Bank Nederland (ABN) and Amsterdam-Rotterdam Bank (AMRO).

A framework agreement is expected to be reached some time this year, said Mr. Andre Batenburg, president of ABN, who made a firree-day visit to Peking to discuss the plan last November, The hanks will call on the assistance of the Dutch Credit Insurance Company and of the Ministries of Economics January 29, when the U.S. team and Finance; ABN said.

is expected to press in turn. The agreement now being disfor more U.S. routes ito cussed is a more modest version

Bank of China to provide dredging companies announced "There are, nevertheless, FI 500m (£115.7m) worth of in 1978 that they hoped to sign still openings for the Dutch credits to finance the export a contract to carry out harbour husiness world on a more works in China. In October, 1978, AMRO axid

it had been asked to form a consortium to finance the project, which was then expected to be

Netherlands Mr. Li Qiang, the Chinese Minister of Foreign Trade, said China had now set different priorities for its development schemes. Port and Delta, the Dutch

consortium formed to carry out the work in China, said last edition of ABN's staff magazine of an ambitious financing pro suggests the banks have given drainage system.

up hope of the project going ahead in the foreseeable future. modest scale and in other areas in the new phase of China's development," ABN said. HOLLAND Agro-Industrials

has signed a Fl 50m (£11.7m)

contract with the National Irrigation. Board of Kenya to irrigate and drain 8,000 hectares The work will be carried out as part of the Bura irrigation

and settlement project, about 250 miles east of Nairobl. Holland Agro will instal hydraulic equipment along a June it was not unduly worried canal network, a pumping about the delays. But the latest station at the head of a supply canal, and an irrigation and

Steel sales loss seen as strike continues

By Lome Barling

BRITISH exporters are faced with "a catastrophic start to the new year " as a result of the steel strike, which is likely to lead to delivery delays and lost orders, the Birmingham Chamber of Commerce warned yesterday.

Mr. Joe Brown, president of the chamber, said foreign mpetitors would have a field day as a result of the strike, and British steelworkers, the steel industry and exporting companies would have to pay the price.

The chamber pointed out that whatever the outcome of tha strike, manufacturing industry would be faced with steel shortages due to the gap in the pipeline caused by recent lack of production.

As a result, companies would be forced to offer late delivery dates on export contracts, which was likely to lead to loss of orders. The export prospects for the first quarter of this year were, therefore, bleak.

Cecil Parkinson. Mr. Minister of State for Trade, is expected to be confronted visits Birmingham at the end of the month—for the chamber's annual exports day.

Honduras dam deal for Swiss

By John Wicks in Zurich

MOTOR - COLUMBUS genieurunternehmung, the Swiss civil engineering company, has been awarded a contract for project and conwhat will be the highest dam in America's continent, the 226 metre high El Cajon dam

Building will start this spring, and financing is to come from the World Bank, the Inter-American Development Bank and the Banco Centroamericano de Integra-

IATA seeks formula to raise air fares in line with fuel costs

fuel costs and are currently 45 cents a gallon at the end assessing how far they can go of 1978, placing what many airtowards persuading governments lines see as unacceptable strains who authorise such increases on on their resources. The differregular and automatic basis. The discussions now being port costs, hidden government

port Association (IATA), may go beyond the January 22 closing date because of important differences among the airlines, partly reflecting government anti-inflation policies and how far certain governments intervene in management opera-

Airlines in countries with

held in Geneva under auspices

of the International Air Trans-

strong currencies and low inflation rates are thinking of single figure fares increases, in percentage terms, while other airlines Tha price of aviation fuel

varies from about 65 cents a gallon in North America to

THE major world airlines are nearly \$2.50 in certain African has asked U.S. authorities for seeking substantial air fare in- countries, compared with an permission to raise its transcreases to keep up with rising average overall price of about atlantic fares by 8 per cent. ences in fuel prices reflect trans-

> increased passenger demand. Major rationalisation programmes and better management techniques have allowed airlines to reduce fuel usage by 10-15 per cent, but such improvements have reached their limit, the industry says.
>
> IATA officials estimate that

levies, and last-minute huying

on the spot market to meet

the average net profit of mem-her airlines in 1979 will harely ha I per cent, while 1980 remains a question mark, compared with a modest 2.8 per cent in 1978. Reasonable profits are usually considered to he in the 4-6 per cent range. Transworld Airlines (TWA) position.

This compares with an IATA secretariat proposal before the current conference suggesting anthorise air fare increases of up to 3 per cent if an airline can prove that its total operating costs have risen by that level because of high fuel costs.

Decisions to increase fares by more than 6 per cent would require a new IATA conference. At present about one-quarter of IATA member airlines spending on fuel, hut governments rarely take less than three months to approve fare increases, leaving airlines to absorb the higher fuel costs in the

interim period. The antomatic anthorisation now being discussed would save airlines from this "drag effect" and also improve their financial

Swiss argue Japan watch claim

Switzerland and elsewhere hy

BY JOHN WICKS IN ZURICH

JAPANESE claims that Switzerand last year produced fewer watches than Japan have been Swiss watch companies had contested by M. Rene Retornaz, reached some 82m units in 1979, Director of Horlogere, the Swiss as compared with 59m-60m units watch organisation federation. A comparison of respective output made at the end of last month hy Mr. Yoshinori Shirakswa, managing director of the Japan Clock and Watch Association, had set world production Japanese against purely national ontput of Swiss companies, said M.

Latest national statistics show that watch industry orders were higher by 13.2 per cent in overall on the part of the were higher by 13.2 per cent in Japanese, M. Retornaz stated. the third quarter of 1979 than Manufacture in Switzerland for the corresponding period of itself had been of about 52.3m 1973. The volume of orders on units, as against some 50m hand was, however, lower by watches actually made in Japan. as much as 21.3 per cent.

In fact, overall production in from a level of some 91m units

Owing to a drop of some 20 per cent in the number of watches made in Switzerland for export, a 7 per cent decline in total world production by the Swiss export value for the first nine watch industry had declined months of last year.

1978. The volume of orders on Industry turnover continues to fall, particularly as a result of

Jordan seeks glass factory bids

BY RAMI G. KHOUR! IN AMMAN

JORDAN has asked for pre-dustries Company (JGIC). Total cover all civil works for the qualification hids from inter- cost of the \$20m plant would be glass plant, and to cover electronational contractors for a \$20m (£9m) sheet glass plant that is a major test of the Government's mercial loans. strategy of locating new in-dustries in provincial regions.

The 18,000-tons-per-year plant BSN Gervais Danone group, will be located at Maan, in and Sweco, of Sweden, are southern Jordan, which is one consultants for the plant, and of the country's slower growing

The plant is owned and operated by the Jordan Glass In- for bids from companies to States.

covered by the capital and Government-guaranteed

The French company Boussois. of the plate glass division of the have completed design work and tender documents.

The pre-qualification call asks

glass plant, and to cover electromechanical works.

The contract could be awarded to a single company or to joint ventures, and the pre-qualifica-tion deadline is March 15.

About half the plant's annual output will be consumed in Jordan, while the rest will he exported to nearby markets in Saudi Arabia and other Gulf

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better eto take a trip to the Florida sun -and pay a call on some great American cities.

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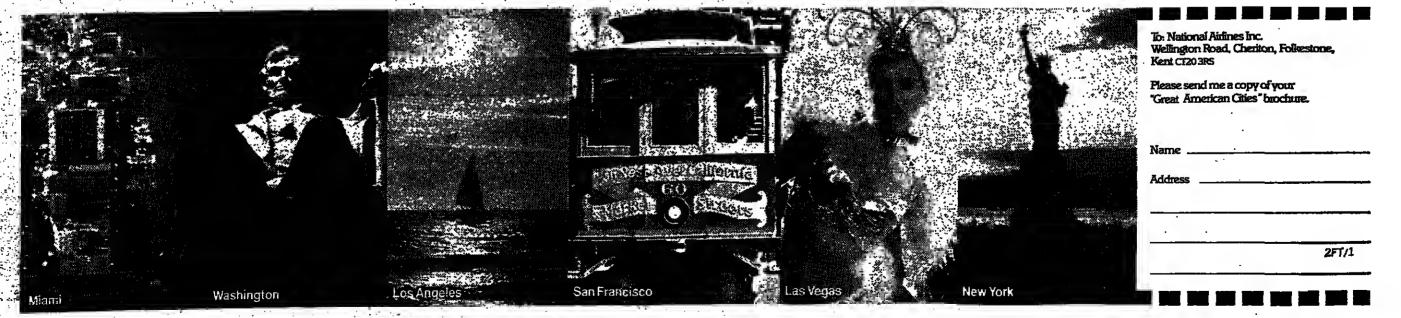
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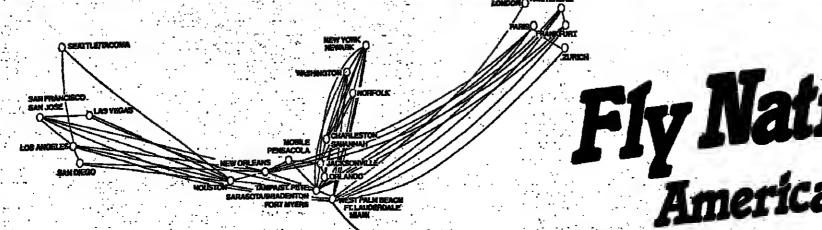
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transfer affic

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investment allowance

THE GOVERNMENT is being bas now fallen to 8 per cent and last removed the allowances urged to re-introduce invest-ment allowances for ships so owners is the smallest for a long ment allowances for ships so that British shipping companies can take advantage of the next upturn in the world shipping market.

The List with the list that the list is the smallest for a long time. The trading profits of 20 well-known UK shipping companies fell from £101m in 1976 to £90m in 1977 and £23m in

In its Budget submission to the Government, the General Council of British Shipping argues that the introduction of investment allowances—effectively a subsidy—is a matter of urgency. As a result of the prolonged shipping recession the UK merchant fleet has fallen by over 25 per cent in just over three years. This has involved the net loss of 375 sbips totalling 13m dwt. The UK fleet is now composed of about 1.200 ships of 37m dwt. Roughly 17m dwt is owned by oll companies, 15m dwt by quoted companies and 5m dwt by private compenies.

The council argues that unless some form of assistance is brought in quickly the coo-acquences for both the UK sbipping fleet and the invisibles sector of the balance of payments will be serious. The couocil bad considered asking for officiel grants to build new ships, but felt that in the present political climate investment allowances were the best bet, as they benefit only those companies capable of making a

was able to take advantage of ment of rules for consortium

were running at 40 per cent. Any extension of investment allowances would be e big beip to companies considering reequipping their fleets.

In normal times UK shipowners were investing about £600m per annum, but over the past couple of years the total has slumped dramatically. The council calculates that if implemented investment allowances of np to £250m per annum might be involved. The cost to the Government would at most be balf of this and would be spread over a number of years.

The plea for investment allowances is the most impor-tant of the seven Budget proposals submitted to the Government by the council Other The UK shipping industry topics covered include amend-In 1975 the UK owned 9 per investment allowances between group relief and reform of cent of the world fleet. This 1954 and 1966. When they were capital transfer tax.

Big trade deficit after surplus

visible and invisible trade.

Import volume rose by 12 per cent, while export voluma increased by 41 per cent with mainly because of increased

THE UK bad a current account deterioration of £2.9bn on nondeficit of £2.42bn last year after oil trade since a sharp rise in a surplus of £714m in 1978. The North Sea oil production belped eterioration occurred in both to reduce the deficit on trade

the result that the visible earnings by foreign oil com-deficit increased by £1.7bn. panies, higher travel expendi-However, this masked a ture overseas and increased finished manufactured goods.

In the final three months of last year visible trade was in deficit by £535m compared with £406m in the previous quarter. There was a marked worseoing in the balance in non-oll trade less erratic items of

finished manufactured goods.

BALANCE OF TRADE

	Exports Em seasona	Imports Ily edjusted			Terms of trade *Unadjusted 1975=100	Oil balance
lst	8,332	8,970	118,7	114.1	106.2	-620
	8,610	8,933	121.3	170.3	105.4	-414
3rd	8,989	9,414	123.9	115.4	106,6	-501
4th	9,140	9,247	123.9	112.9	107.A	480
lst	8,277	9,887	109.4	117.2	108.0	-234
2nd	10,586	11,268	136.7	131.4	107.9	-227
3rd	10,728	11,134	132.3	129.5		-166
4th	11,101	11,636	132.8	129,1	106.1	—177
July	3,600	3,627	134.1	127.7	109.7	-44
Aug.	3,545	3,739	130.7	131.4		730
Sept.	3,583	3,768	132.0			. +8
Oct.	3,534	3,952				-85
Nov.	3,744	3,789				+12
Dec.	3,823	3,895	136.1	128.1	105.7	- 104
	2nd 3rd 4th 1st 2nd 3rd 4th July Aug. Sept. Oct. Nov.	Em seasonal lst 8,332 2nd 8,610 3rd 8,989 4th 9,140 lst 8,277 2nd 10,586 3rd 10,728 4th 11,101 July 3,600 Aug. 3,545 Sept. 3,583 Oct. 3,534 Nov. 3,744	Em seasonally edjusted lst 8,332 8,970 2nd 8,610 8,933 3rd 8,989 9,414 4th 9,140 9,247 lst 8,277 9,887 2nd 10,586 11,268 3rd 10,728 11,134 4th 11,101 11,636 July 3,600 3,627 Aug, 3,545 3,739 Sept. 3,583 3,768 Oct, 3,534 3,952 Nov. 3,744 3,789	Em seasonally edjusted Volume season 1975: 1st 8,332 8,970 118.7 2nd 8,610 8,933 121.3 3rd 8,989 9,414 123.9 4th 9,140 9,247 123.9 1st 8,277 9,887 109.4 2nd 10,586 11,268 136.7 3rd 10,728 11,134 132.3 4th 11,101 11,636 132.8 July 3,600 3,627 134.1 Aug, 3,545 3,739 130.7 Sept. 3,583 3,768 132.0 Oct, 3,534 3,952 128.6 Nov. 3,744 3,789 133.7	Em seasonally edjusted 1975 = 100 lst 8,332 8,970 118.7 114.1 2nd 8,610 8,933 121.3 110.3 3rd 8,989 9,414 123.9 115.4 4th 9,140 9,247 123.9 112.9 lst 8,277 9,887 109.4 117.2 2nd 10,586 11,268 136.7 131.4 3rd 10,728 11,134 132.3 129.5 4th 11,101 11,636 132.8 129,1 July 3,600 3,627 134.1 127.7 Aug. 3,545 3,739 130.7 131.4 Sept. 3,583 3,768 132.0 129.3 Oct. 3,534 3,952 128.6 134.1 Nov. 3,744 3,789 133.7 125.0	Em seasonally edjusted Volume seasonally adjusted 1975=100 *Unadjusted 1975=100 1st 8,332 8,970 118.7 114.1 106.2 2nd 3,610 8,933 121.3 110.3 105.4 3rd 3,989 9,414 123.9 115.4 106.6 4th 9,140 9,247 123.9 112.9 107.4 1st 8,277 9,887 109.4 117.2 108.0 2nd 10,586 11,268 136.7 131.4 107.9 3rd 10,728 11,134 132.3 129.5 108.5 4th 11,101 11,636 132.8 129.1 106.1 July 3,600 3,627 134.1 127.7 109.7 Aug. 3,545 3,739 130.7 131.4 108.6 Sept. 3,583 3,768 132.0 129.3 107.1 Oct. 3,534 3,952 128.6 134.1 106.4 No

Bow Group calls for auction of oil exploration areas

BY MAURICE SAMUELSON

OIL EXPLORATION areas in the arguments against auction. Simmons, Bow Group research British waters should in future ing licences are based on fears be auctioned to oil companies that too many licences would rather than allocated at the be bought by financially or techdiscretion of Energy Depart- ulcally incompetent companies, ment officials, a document foreign concerns and by large published by the Conservative groups. Party's Bow Group says.

of licences to explore and prodnce oil and gas in the UK sector of the North Sea.

Past precedent, according to Mr. Peter Lilley, investment analyst with W. Greenwell, stockbroker, and former Bow Group chalrman, means that the licences will be "given away almost free although their market value is very lerge." owned land by auction. estimates that the remaining un-

allocated North Sea acreage may contain between 4bn and 74bn barrels of oil. He believes that companies would bid 78 cents a barrel of anticipated discovery and that remaining llcences might raise between £1.5bn and £2.7bn. Mr. Lilley says that most of

Party's Bow Group says.

The Government is preparing objections are "illusory," since, in practice, io previous "experimental " auctions in the UK and U.S., the Governments retained discretion to reject bids from companies that they considered

The only occasion when the UK has sold licences—covering 15 blocks in 1971—raised £37m. By contrast, in the U.S., exploration rights on all publicly owned lands must be allocated

Lilley's proposal was made in at the Windscale nuclear plant. Greenwell's December 1979 nil commentary, Ministers were sympathetic to the idea of auctions, but the Department of Energy was determined to resist auctioning the blncks that it will select for the seventh

Those blocks will still be "given away," Mr. Simmons says. "The Department is considering inviting bids only in respect of any blocks nominated by the oil companies." by the oil companies."

The Energy Department denied yesterday that officials

and Ministers were split over auctions. Mr. Hamish Gray, Minister of State, told MPs at the baginning of the week that The established British while there was no commitment system of discretionary allocation include auctions in the tion is staunchly supported by seventh round, they bad not the oil industry, "which not been ruled out for the future. surprisingly approves of a North Sea Givenuay: The system under wblcb it receives Case for Auctioning North Sea in return for a peppercorn rent Oil Licences. By Peter Lilley: the rights to oil snd gas reserves Bow Paper (Bow Publications, worth billions of pounds."

240 High Holborn, London In a foreword, Mr. Richard WCIV 7DT; £2).

Rise of 10% in plastics materials

By Sue Cameron, Chemicals Correspondent

SHELL Chemicale UK and Imperial Chemical Industries are increasing some plastics raw materials prices by sbout 10 per

Both groups are putting up prices of low-density polyethy-leoe (LDPE) at the start of next month and Shell is also planning to raise tha price of polystyrene, also by 10 per ceot, nn February 11, Price Increases for nther

plastics materials such as poly-propylene, mede by ICI and Sbell, are thought to be forthcoming.

The main reason for the LDPE and polystyrene price rises is the increased cost of oil and of petrochemical feed-stocks, notably naphtha. The 10 per cent increases will take the price of Shell Chemicals' and ICI's besic-grade LDPE

from about £550 a tonne to alightly more than £600. such as light fittings, will go from about £625 s tonne to £690; its toughened polystyrene. used colefly for packaging, will go from about £655 s tonne to £720; and its expandable polystyrene, used for insulation end in display packaging, will be increased in price from around £650 a tonne to £715.

LDPE is used to packaging film

Market set to weaken this year as demand for petrol deteriorates

BY MARTIN DICKSON

and other light fractions likely to fall as the country moves into recession and the price of petrol continues to increase in real

That forecast is made today in Energy for Industry and Commerce, a quarterly bulletin published by Cambridge Infor-mation and Research Services. Fuel oll fractions are likely to remain reasonebly available particularly the heavier grades. The bulletin estimates that final figures for 1979 will show the UK's primary energy consumption to bave risen by about 4 per cent compared with 1978,

reaching the same level as 1973, the previous record year. "At first sight, this likely nutcome is surprising in view nf both the considerable and continuing increases in fuel prices Shell's crystal polystyrene, and the low level of economic used in making equipment activity," the bulletin says. "But there are a number of factors at work which suggest

thet 1979's increase may prove e special case." They include the severe cold

power stations, involving the

THE UK market for oil products is expected to weaken this case of the UK's conservetion year, with demand for petrol efforts in the face of the conserved oil and the tinuing world oil-supply difficul-ties and will underline the need for the adoption of a far mora radical approach to the problem."

Turning to the North Sea, the bulletin notes that a comprices, greatar company profitability and the more favourable attitudes towards the private sector adopted by the Con-servative Government are abowing io plans for increased company investment and effort.

Oil salvage plea to motorists

AN OIL salvage campaign backed by 75 collection centres at garages and council depots throughout Nottinghamshire bas been launched. The aim is to collect thousands of gallons of used motor oil which will be recycled or used as fuel

Motorists whn change the oli in their cars ara askad to leave weather in the first quarter and the waste oil in one of the 75 the increased use of coal at storage tanks. Mr. Tony Marson, director of Nottingham Environuse of less efficient plant.

However, the report edds that said: "We estimate that if "the figures into 1980 show nationally 10m gallons of old little change from these levels oil could be salvaged."

British shipping seeks Optimistic forecast for 1980 tourism

BY ARTHUR SANDLES

AN OPTIMISTIC forecast on the number of foreign tourists visiting the UK this year was made yesterday by Sir Henry Marking, Britisb Tourist

Anthority Chairman.
Sir Henry's optimism was based on the fact that international tourism "abows tremendous resilience." Even though

dous resilience." Even though last year was thought to be bad for UK tourist traffic and per capita spending fell, the number of people coming to Britain was alightly up.

There was a slight fall in American traffic but there were rises from Europe, South America and the Far East. Lower air fares considerably increased tha number of Australians coming bere.

Sir Henry said 1979 was the Sir Henry said 1979 was the

year of the British landlady as far as foreigners were con-cerned. "Large numbers of tourists turned to bed and breakfast establishments," said Sir Henry. "They are just discovering them."

He painted a picture of eager

Americans renting cars, explor-ing the British countryside and finding the small guest and hoarding bouses. "Once they boarding bouses. "Once they bad tried this peculiarly British institution they became fans." Sir Henry blamed much of the botel industry's downturn in 1979 not on high prices but on the strength of sterling which convinced many Britons that they should go abroad. America itself was now a major

America itself was how a major competitor to the UK for British bolidaymakers.

According to Sir Henry. Britain's estimated £3.5bu revenue from 1979 tourism would rise to £3.85bn this year and to £6bn in 1985. By 1990 it would grow to £10bn.

Inquiry on lake-raising plan opens A PUBLIC inquiry opened

yesterday into controversial plans to raise the level of two of the Lake District's most picturesque stretches of water. It is expected to last for three months, with up to 50 witnesses Department

the Environment Inquiry—at Whitebaven, Cambria—is into separate applications. British Nuclear Fuels wants to extract Simmons, Bow Group research secretary, adds that when Mr. England's deepest lake—for use At present it takes 4m gallons daily. If the application is approved it will involve the construction of a weir raising

the water level.

The North West Water Authority wants to take an extra 12m gallons of water a day from nearby Ennerdale for use in industrial West Cumbria. It would involve the construction of a pump station, and other works, to raise the level of the lake.

Over a dozen organisations and individuals have ebjected and have put forward an alternative, but costlier scheme, which would involve extracting water from a nearby river.
Mr. Ian Glidewell, QC, repre

senting the water authority, told the bearing that more water was needed for domestic and industrial supplies in West Cumbria, as well as for the Windscale plant. The Enner-dale scheme was the cheapest project and would bave least effect on the environment.

Mr. Lionel Read, QC for British Nuclear Fuels, said unless more water was available for Windscale, it could lead to the shutdown of the processing plant which be said was "unacceptable."

Was "unacceptable.
Mr. Christophar Hordern,
QC, for the Lake District
Special Planning Board, argued that each proposal involved "significant and detrimental

Decision on pit boosts NCB's Stafford plans By Martin Dickson

NATIONAL COAL Board plans to develop a £160m mine near Stafford bave been given a boost by a Staffordshire Council decision not to oppose the scheme ontright. The council's planning committee decided on Mnnday night that the balance of advantage

might lie in allowing the development to proceed, subject to stringeot qualifications on subsidence, waste-disposal and the locstim of surface installations. The NCB's planning applica-tions for the Park mine, submited in the autumn of 1978, are being opposed by the Stafford Borough Council. A public in quiry is expected later this year, after completion of the inquiry

Belvoir. Park mine, a so-called superpit using the most modern mining techniquas, would be located just outside Stafford, employ 1,400 men and produce 2m tonnes of coal a year for 50 years.

into the NCB's plans to mine coal lo Leicestersbire's Vale of

Bid to remove friction over Scottish pickets

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE Scottish TUC called in the steel unions' strike committee yesterday to try to remove some nf . the friction between the strikers and other unions over the decision to picket manufacturing industries.

The Scottish Confederation of British Industry said last night that the policy amounted to tertiary picketing. Scottish strikers defied their national leadership last week

when they began mass picketing of steel stockholders. They did it again this week when flying pickets were sent to the gates of a balf-dozen leading users of steel.

"It might be against official union policy, but Mr. Bill Sirs and the nthers are having to say a lot of things in public that they don't necessarily mean," sald Mr. Pat Sbevlin, apokesman for the Scottish strike committee.

"We want this strike over as aoon as possible and we would like the executive committee (which meets today) tn make it sn all-out sction. We will do our damndest to make sure steel does not get to manufacturers. Some of them may bave stocks on the premises, but as long as the strike lasts, we will be

Tertiary picketing has angered shop stewards in companies already weakened by last been among stockholders and year's engineering dispute and baulage drivers. In manufac-

the slump in orders over recent months. Their complaints to the STUC beadquarters in Glasgow and their fears for the jobs of their members prompted Mr. Jimmy Milne, STUC general secretary, to call in the strike committee.

After the meeting he outlined an agreement defining what the trade union movement believes are legitimate targets for pickets and what are not. Raw steel supplies are regarded as fair game, but finished products and other supplies are not.

Mr. Milne blamed the Press for the bitterness which has arisen between unions. The dispute has attracted wide publicity north of the border yet in spite of this and the huffing and puffing of the CBI it has so far had little effect ontside the steel industry.

This is partly due to the inexperience of the strikers-embarking on the first-ever national strike of the Iron and Steel Trades Confederationand partly it is a asd reflection on the state of Scottish manufacturing industry. The recession bas bitten ao hard that most companies have between two weeks' and two months' stocks of steel lying in their

The only lay offs so far bave



turing, only one company transfer on the company transfer on company transfer on the company t been aent home because of a shortage of cans.

In engineering, the motor industry, shipbuilding and the oil platform yards, companies were given enough warning of the dispute to be able to stock up in advance.

They could withstand a total blockade, hut that is hardly in prospect. The ISTC is not a battle-trained union and the strike committee, working from the abandoned Glen Cafa behind the Ravenscraig steel works in Motherwell, is still feeling its

During phase one of tha dispute—closing steel works—it was on home ground, at least it knew where the works were. Phase two—hitting the stock-holders—led to immediate prob-lems. One radio reporter ventured into the Glen last week with his own list of stock yards drawn up after a few telephone calls. It was almost twice the length of the list being used by the pickets:

The strikers have had some successes. A couple of stockholders have closed for a limited period and others—with prompting from the police—have con-cluded agreements cutting dallveries by half in exchange for withdrawal of mass pickets.

These triumphs have been within a few miles of Ravenscraig. Stockholders, on the other side of tha Clyde conurbation, not to mention those as far afield as Edinburgh, Dundee and week ago.

"They were verye effective," said a management spokesman "They turned away several lorries But the following day the pickets did not turn up and the

lorries came back. We have had some confusion," admits Mr. Shevlin, "hut we will get better." If the strikers' proficiency is in question, their determination is not. There is no sign so far of any move to get back to work or accept less than the full claim. The men are pre-pared to fight on and there has

been no break in their good humour.
Picket lines have been well organised and—nothwithstand ing nine arrests for obstruction and one warning no more violent than a little pushing and shoving. The strikers have the respect of the police and the police bave the respect of

the strikers. Mr. Shevlin says, without a trace of the irony you might hear during other disputes: "We had a meeting with the police to thank them for their co-operation and the assistance they have given us." • Lord Trenchard, Minister of

State at the Industry Department, said yesterday he hoped realism would prevail in the steel strika, leeding to a settlement on terms which would belp restore BSC's competitive

Garrard cuts workforce by 155 jobs

BY JOHN LLOYD

GARRARD, the record turntable

at about 430, one-tenth of the company's strength in the mid

However, Mr. Alan Peck, the new joint managing director, said that continuing depression io the bi-fi market made further redundancies lnevitable, "We do this with very great regret, and we bave kept it down to reasoo-

able proportions. But with stocks high at the mannfacturers, distributors and retailers, we can't just go on producing." He added that 1980 would be "a retained to the proposition of t a year of retrenchment," but the company should begin to break even in 1980. Losses at

By 1981, the company may be manufacturer bought from Ples- able to broaden its range of sey last November by the Brazillan company Gradiente, bas secked 155 employees, or by manufacturing new pro-The workforce at the com- ducts. It intends to move from pany's Swindon plant now stands its present, obsolete factory in at about 430, one-tenth of the Newcastle Street, Swindon, to the Chaney Manor trading estate, also in Swindon.

The cut comes less than two months after the Brazilian company acquired Garrard from statutory 90 days notice. They Plessey, which had owned it include 14 managers, 36 office since 1960, for £1m. The 580, staff, 25 indirect workers and employees, it is believed, were told that their jobs were secure. The staff to be made redun-

deal with Delhi company

THE JCB excavator compsny is to start production outside Britain for the first time. A deal has been signed with an Indian company to produce JCB earth-movers at a site near Delhi.

The company, which is based Garrard were running at £5m in Rocester, Staffordshire, sald a year three years ago, though yesterday that the deal they had been cut considerably would belp overcome import before the Gradiente purchase. difficulties with India.

Few shortages but pickets tighten grip

increase in the scope and in obtain scarce items. tensity of picketing, the But while refusing to say National Association of Steel how many more companies had

NO SERIOUS shortages of parti- was surprised that it had not cular types of steel have yet been inundeted by members been raported despite a slight inquiring where they could But while refusing to say

Stockholders said yesterday.

The Association, abount only a tenth of whose 264 members

been picketed in the previous 24 bours, it said that the total was increasing, that the picketwere being picketed at the ing was becoming more inten-beginning of the week, said it sive,

Computer staff halt redundancy pay outs

North Wales on Saturday without receiving their redundancy pay. About £7m should be paid to the men, but computer staff responsible for working out the amounts are taking part in the strike.

British Steel confirmed the man will not get any redund-poration manager. Mr. Brian ancy pay until the strike ends, Hnlland, 49, said to be at the although the steel unions are demanding that they pay out token amounts to the men

affected.

losa their jobs at Sbotton in to hand ont 2,500 wage packets North Wales on Saturday worth £2m, which bave been without receiving their held since before Christmas.

Former BSC manager jailed

A FORMER British Steel Cor-

centre of "a web of corruption" in relation to BSC business in ken amounts to the men Scunthorpe, was sentenced to two years' imprisonment at Meanwhile, 13 pay clerks will Lincoln Crown Court yesterday.

Record commercial vehicle registrations

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

REGISTRATIONS of new commercial vehicles in tha UK last pear were the highest ever, the commercial vahicle business into Society of Motor Manufacturers five sectors. Sales of car-derived and Traders confirmed yester- vans rose 14.1 per cent to 92,585

just beat the previous record of 300,341, set in 1973. However, slon of importers of Japanese the figure was 17.27 per cent light commercials to switch the above the 1978 level.

sible to keep pace with demand. Importers, bowever, were not short of vehicles because other European markets wera de-

per cent, against 21.8 per cent tha previous year. An important factor in the

relative success of the UK comers from overseas helped manufacturers in bolding back imports rise by 374 per cent imports has been the decision by the American-owned multi-nationals, General Motors and Find, to base much of their commercial vehicle activity in Britain.

Registrations of trucks and articulated vehicles over 3.5 tons gross weight were 13.4 per cent abead at 79,856, but the bus and coach market remained rela-

year were assembled nverseas, only 4 per cent of its commercial vehicle total was imported.

Ine other UK-based manufecturers figure mainly in the over-3.5 tons sector and they all nutpaced the nverall market growth. cars registered in the UK last market leadership, with 91,402 vehicles registered last year—excluding buses—beating the company's previous best of 90,642 in 1972. excluding buses—beating the company's previous best of 90.642 in 1972.

BL. with 66,132 commercial vehicles registered, was in second place. But at the heavy

second place. But at the beavy 21.3 per cent.
end of the market—trucks and Saddon me articulated vehicles above 3.5 tons gross weight-the group managed an advance of nnly 1.6 per cent tn 13,804 registratinns, against the total market surge of 13,36 per cent.

subsidiary, in third place over- many, Europe'a biggest truck all with 52,483 registrations, maker, which uses the Mercedes managed a 16.7 per cent in-

lay. with the importers' total falling
But the total of 300,565 only by 13.7 per cent to 14.294. The main reason was the deci-

emphasis from car-derived to The bnoyancy of the market purpose-built vans. surprised tha UK manufacturers and they found it impossible to keep pace with demand.

17,468. Because of the switch Registrations of purpose-built by the Japanese, and a successful year by Daimler-Benz, the

importers' total jumped 34.5 per cent to 34,228. As a result the importers' Sales of four-wheel-drive share of the UK market vehicles soared 61 per cent to advanced again in 1979 to 23.2 10,656. Land Rover had a healthy year in the UK, registering 6,418 vehicles, up 12 per cent on 1978. However, new-

to 4,238. Although nearly half the Ford tively static at 5,800.

cars registered in the UK last The offier UK-based manu-

Dodge—now nwned by PSA Peugeot-Citroen — bad 8,952 registrations in this sector, up

Seddon nvertook Volvo of Sweden, the leading importer in the sector, last year. Volvo's 4,052 registrations showed a relatively modest 8.8 per cent

Coming up fast behind Volvo Bedford, the General Motors was Daimler-Benz of West Gername in tha UK. Althnugh it crease in the over-3.5 tons sector began tackling the British in spite of production problems. market only six years ago, It sold 15,024 "beavies." Mercedes had a 41 per cent rise

The Society of Mutor Manuin sales in 1978 and last year its through separate dealership net facturers and Traders splits the registrations rose 46 per cent. works, but IVECO could claim registrations rose 46 per cent. This year the importer's

leadership will go on a technicality to IVECO, which is owned by Fiat and, taking in Magirus Deutz of West Germany, is combining operations in the UK. Fiat and Magirus wehicles will retain their individual names and be sold leadership by combining the sales totals. In 1979 Magirus sales were

REGISTRATIONS OF NEW COMMERCIAL VEHICLES IN THE UNITED KINGDOM BY MANUFACTURERS

r-serie lectrol CL	12 mc	inths ende	
BRITISH	1979	200	197
BL—Austin Morris		14 julija.	
BI I B	45,910		44,40
BL—Land-Rover	6,418		5,77
Leyland Vehicles	13,804	A 15	1358
Total BL	66, 132		63,70
Bedford	52,483	1 5 1 1 1 1 5 1	45,92
Dodge	14,306		12,18
Ford	87,756	100	69.83
Hestair Dennis	34		07,03
ERF	3,038		2,65
Foden	1,480	1.1	2,03
5eddon Atkinson	4,626		1,22
Volvo	,020	1778 B	3,82
Others	609	بولاد الروا	- 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1
Total British		7-1-5	
IMPORTED	230,793	:	200,43
Daf (Holland)		* . *	
Ford (Holland)	2,090		1,72
Chrysler (France)	385		.22
Okroen (France)	4,357		3,88
Fiat (France)	2.		. / July 18
Peugeot (France)	491		28
Renault (France)	1,301		1,03
MAN (West Germany)	2,553		2,10
Magirus-Deutz (West Germany)	519		400
Mercedes-Benz (West Germany)	1,235		81
Opel (West Germany)	. 6,241 .		4,76
, Volkeswagen (West Germany)	72		34
Fiat (Italy)	11,714		8,103
Dalhatan (Isaan)	3,605		3,460
Daihatsu (Japan)	1,808		637
Datsun (Japan)	8,165		7.527
Honda (Japan)	2,604		3,017
Mazda (Japan)	2,977		2,769
Mitsubishi (Japan)	942		
Subaru (Japan)	7,110		40
Toyotz (Japan)	5,671		5,303
Polski-Fiat (Poland)	848		534
Roman (Rumania)	. 35	- ,	28
Chrysler (Spain)	- 224	ند عيون .	169
Ford (Spain)			
Scania (Sweden)	3,261		3,850
Volvo (Sweden)	1,542		1,394
Jeep (USA)	4,052		3,725
	255	* ** ** **	175
Others	1,719		305
Total Imported	69,772		55,846
GRAND TOTAL	300,565		256,285

DOCTORS from overseas make pital doctors wanting to follow slower progress through the National Health Service and culty."
enough evidence of discrimination exists to warrant an investigation by the Commission for the Policy Research Institute.

project funded by the Department of Health, recommends an investigation into the recruitment of doctors from overseas, their promotion and training.
He also recommends the revision of training methods to provide a standardised system of training junior doctors to a disproportionate mumber of overseas doctors ending up in "thoroughly unpopular specialties such as

psychiatry and geriatrics."
It would also help to end the present use of overseas doctors casualty and emergency department work which British doctors more reluctant to accept.

Mr. Smith said this would also provide an opportunity to overseas doctors through one polot of entry into Britain, test their English, and provide intensive language tuition where necessary before the doctors went out to work in

This could eliminate possibly third of overseas doctors in Britain having a "signficant linguistic handicap."

and the ge

-...E US.

About 70 per cent of the 18,000 doctors from overseas in the NHS were not native English speakers. The severe language problems were with those who bad been in the country less than three years. "There are no cases, for example, of overseas doctors who have become consultants

post graduate training in romotion system in the Britain often have great diffi-

Of the 50,000 doctors in England, 18,000 were from overseas and were concentrated Racial Equality, according to a in hospitals. Only 14 per cent report by Mr. David Smith of of general practitioners were

> Both the foreign doctors and their British colleagues ques-tioned by Mr. Smith's team felt that overseas doctors faced special difficulties with regard to promotion. They agreed that a British doctor would invariably be selected by an interview board against an overseas doctor of similar qualification and experience qualification and experience who had gained his initial medical training and qualification outside Britain.

The difficulties were most ronounced for coloured pronounced

Another problem highlighted by the research is that the best overseas doctors gain their desired training and return home where they aspire to becoming consultants. Those that do not make the grade in Britain stay on and are further beld back by the prejudices against them.

Mr. Sunil Bhattacharya, president of the Overseas Doctors Association, said yesterday. "It costs £30,000 to educate an English doctor. Overseas doctors arrive bere already trained, thus saving those costs, but are regarded as just a pair of bands for casualty and emer-gency departments. We have a right to expect the Government to give us, in return, at least a structured system of further education."

National Health Service, David baving any linguistic problems. J. Smith, Policy Studies Insti-But newly arrived junior bos-tute, London. £12.50.

INCREASING DEMAND FOR INDUSTRIAL LOANS

Invention is key to survival

COMPANIES keen to survive the coming problems in the UK economy should concentrate on new product development rather than simply adding new plant, Lord Caldecote, the new chairman of Finance for Industry, said

By designing and exploiting new products companies created a "virtuous spiral" which enhanced profits and led to more jobs, be said.

FFI's main arm, Industrial and Commercial Finance Corporation, is looking at applications for loans total-ling £120m received from

This is a fifth higher than the level of last July, Lord Caldecote said: "It will be interesting to see if the trend of recent years takes a hiccup Lord Caldecote, who is also

chairman of Delta Metal and of Legal and General Assur-ance, succeeded Lord Seebobm as the bead of Finance for industry at the start of this year. The UK clearing banks own the bulk of the England holding 15 per cent. In the first mine months of

Landing fees may rise by 40%

the present financial year, Industrial and Commercial Finance boosted its lending from £44.5m to £67m, roughly the same as the figure for the to March 31, 1979.

Lord Caldecote hoped that Britain's present high interest rates would start to soften around May. ICFC tried to iron out the peaks and give its clients reasonable stability in rates, he said.

He stressed the importance of continued investment in difficult times. "If you stop in a alump, you find you bave not got the capacity and products when the slump is

over."
The immediate future would be hardest for those smaller companies with a

Because of high inflation and the nound's strength, he said, "I suppose it is a sad coneinsion that companies which are excessively dependent on exports are vulnerable."

But smaller companies had the advantage of being more flexible. Nor were there any signs that the flow of new ideas from businessmen wanting ICFC loans in return for an equity stake was slowing.

degree courses, according to a report published yesterday. Companies will either have to fill engineering vacancies with people qualified in other ways or leave the jobs vacant, says the report from the three

organisations most closely concerned with recruitment from universities and polytechnics.

Graduate shortage

predicted in electrical,

mechanical engineering

BY MICHAEL DIXON, EDUCATION CORRESPONDENT

These are the Association of Graduate Careers Advisory Services, the allied Central Service Unit, and the Standing Conference of Employers of Graduates. The three bodies estimate

that about 100,800 students will finish degree courses this year, compared with 96,900 in 1979. Engineering and technology graduates will number about 13,600, science graduates 18,000, and those from courses in social studies-including management administration - about 24,700.

Of the total output, however, only about 53,000 will be seeking jobs in the UK—an increase of about 8 per cent on

Demand for new graduates ia production.

EMPLOYERS will experience estimated by the report at 4 per shortages of graduate recruits cent bigber than in 1979. But as demand varies with subject in mechanical and electrical studied, students of such topics as biological science, social engineering this summer, in apite of a 7 per cent increase in the output of technology studies other than those related to management, and arts are likely to find difficulty in getting

satisfied demand for graduates to work in computer programming, sales. and retail manage

ment," the report adds. "Graduates who have some power of logical thinking and/or a desire to work with people face-to-face might well consider such jobs."

Ford plant rail link opens

A RAILWAY branch line has opened in South Wales linking the Barry-Bridgend line to Ford's new engine plant at

will run via Cardiff and Barry as the line diverges from the Barry line on the outskirts of Bridgend. One train daily to and from the plant will build up to three trains in each direction as the plant reaches full

Wool trade working conditions criticised

BY RHYS DAVID, TEXTILES CORRESPONDENT

SECTIONS OF the wool textile the century which create probindustry are strongly criticised for failing to tackle health and safety problems adequately in a tinued use of flat belt drives report published yesterday. report by the Govern-

the proportion involving mov-ing machinery is double the national industrial average. Ac-

to moving machinery. Much of the industry is still housed in buildings erected at the turn. methods which frequently en emic deafness among

worse sometimes by the confrom overhead shafting."

The executive urges better meot's Health and Safety, Ex. guarding techniques particu-ecutive, says that although the larly for carding machines-number of accidents in the where wool fibre receives its industry is below that for manu-facturing industry as a whole, standards. Tighter

The report, the first to be produced by the factory inspectorate's wool textile national industry group-one of 21 such "A basic problem is that Roben's report on safety at work tradition has developed work -is also concerned at the end-

Call for unified control of all London Transport

LONDON should have a single such as fares. public transport authority which Transport in the principal would co-ordinate all public conurbations outside Loodon transport services and their operated under passenger trans-Bennett, chairman of London

Transport, said yesterday.

Mr. Bennett told a meeting of Mr. Bennett told a meeting of the Chartered Institute of Mr. Bennett said: 1 beneve the Chartered Inst transport operators - London and political control.

co-ordination, especially in areaa long-term requirements:

Ralph port authorities which bad political control and passenger transport executives which were

responsible for management. that London's two principal area, covering not only the transport operators — London whole of Greater London but Transport and British Rail- also most of the rail servicea should have fundamentally used by commuters travelling to different systems of financial from beyond the Green Belt. Mr. Bennett warned of the

These differences resulted in dangers of sbort-term political variations to policy and lack of considerations cutting across

Environmental rules may endanger car industry

BY JOHN GRIFFITHS

to more than 40m a year, Sir Barrie Heath, president of the Society of Motor Manufacturers, this year's motor show in

Slr Barrie predicted that the West European car market grow over the same period from 9m units to 12m with a warning to governments and commercial vehicles. that the health of the West European industry would be endangered by the introduction

mental regulations. Europe's car makers had committed themselves to "the most demanding improvements manufacturing natioo," Sir Barrie claimed. "In Britain Barrie claimed. and Europe we are starting the decade: with a national fleet average fuel consumption which is virtually the same as the American industry's target for. 1985. However, the motor industries of Europe must convince our governments that this lead can be endangered by the

WORLD demand for cars by In a clear reference to the 1990 will have risen by 9m units U.S., SIr Barrie declared that some nations were already burning 15-20 per cent more fuel in their cars than necessaid last night on the eve of sary because of what he described as environmentally exbaust emission legislation."

He auggested that investment would be better spent on designing more economical, units, but coupled his forecasts safer, durable and reliable cars

Describing the British motor industry's performance, Sir Barrie said the final months of of more stringent eoviron the year had shown an improve ment in output after a aeries of work stoppages earlier in the year. With continuous production it could bave done in fuel efficiency by 1985 of any considerably better in terms of manufacturing nation." Sir the 64 lbn cars commercial the £4.1bn cars, commercial vehicle, components and other industry products, which went

for export. Although new car sales in Britain last year were a record 1.7m, Sir Barrie forecast that this year they would fall back

to 1.5m units. He forecast that over the iotroduction of more severe next decade annual world outanti-pollution regulations or put of commercial vehicles further reductions of lead levels would rise by about 10 per cent

rity is discussiog with the passenger terminals at Heath- charge at Heathrow for a fully airlines its plan to increase row, Gatwick and Stansted. loaded Boeing 747 from £2,067 airlines its plan to increase landing fees and aircraft parking charges by up to two-fiftha at Heathrow and one-fifth

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

The proposed new charges would apply from April 1.

That is the scale of increase which, according to a warning given earlier this week to the airlines by Mr. Norman Payne, chairman of the authority, would be necessary to enable the

THE BRITISH Airports Autho- £500m, The big increases planned by the authority are also one of the factors behind the efforts by the airlines and other aviation users in the British Civil Aviation Standing Conference to meet Mr. John Nott, Secretary for Trade, to protest about the way io which the British Air-ports Authority and the Civil Aviation Authority are putting

hours at Heathrow, the present 747 landing charge of £3,700 will Trident, widely used by British

In the early morning peak

Airways' European division, it will rise from £890 to £1.233. At Gatwick, the average landing fee for a 747 will rise from the present £1,384 to

£2,721 to £2,233. That is because the authority is anxious to switch from Heathrow to Gatwick in the peak period. For the authority's Scottish Airports (Prestwick, Glasgow, Edinburgh and Aberdeen), the average rise will be about 35

All those rates are at present proposals put forward by the authority and might amended as a result of the protests that the airlines are authority to meet the expected The effect of the rises planned During peak hours at Gatwick already making and are additional bills, amounting to by the airports authority will be however, the rate will fall from expected to continue to make.

NRDC will go 50:50 with you on the development and marketing of new technology

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Or telephone 01-828 3400.

BY NICK GARNETT, LABOUR STAFF

day submitted a pay and condi-

tude of negotiators for the Union

of Construction, Allied Trades and Technicians, who did not

want a specific figure included

in the claim.

The unions submission to

employers, however, is thought

to contain e reference to a new

rate of £3 an hour. The Trans-

the industry.

Council house sale profits disputed

GOVERNMENT claims that sub- "leaks," showed that in the stantial profits could arise from longer term losses were likely the sale of council houses to to arise from council house sitting tenants were hotly dis- sales. puted by Labour leaders during Mr. Heseltine argued that the second readying debate on when in office Labour Ministers the Housing Bill in the Com- had also been sceptical about the mons last night.

term financial projections was never been published. stressed by Mr. Michael Hesel-

"Certainly no single piece of legislation has enabled the transfer of so much capital wealth from the State to the people."

tine, the Environment Secretary, when he tannted the Labour benches on their hostile attitude to the Bill

Amid Tory cheats he declared:
"Certainly no single piece of legislation has enabled the transfer of so much capital wealth from the State to the

people."
Mr. Heseltine insisted that be would make no "false claims" for the appraisal published by the Department of the Environment last week which suggested that over 20 years a profit of £7,600 might arise on each council house sold.

And he cast doubt on the accuracy of an earlier Department of Environment paper-

Thatcher

support for

Yugoslavia

BRITAIN will do everything It

can to see that the independence of Yugoslavia is maintained,

Mrs. Margaret Thatcher told the

Commons yesterday in ber first

eppearance at the Despatch Box since the Christmas recess,

Mrs. Thatcher was answering

a cuestion from Mr. Julian

Amery (C. Brighton Pavilion), who urged the Government to make it plain to President Brezhnev of the Soviet Union

that Britaln would do every-

thing in its power to support

Yugoslav resistanca to any inter-vention which threatened their

Mrs. Thatcher also made it clear that she would like to see

Spaln hecome a memher of

defence of the free world. We are perticularly anxious to have join with us those who hither-

to have bad quite strong

Mr. Frank Allsun (Lah.,

Salford East) condemned the

Soviet action in Afghanistan

Mrs. Thatcher told him that

events in Afghanistan had "fully justified the stand that

this Government bas taken on

defence and our determination

to see that we always negotiate from strength." She added,

from strength." She added, however, that Britain wss always willing to negotiate

(Halesowen and Stourbridge)

asked if in the light of the

Soviet aggression in Afghenistan the Government would

adopt further re-armament messures despite Britain's economic difficulties.

"I think we are doing as much as we possibly can at the

moment. We have undertaken

to increase defence expenditure

by 3 per cent for this year.

We must also give ettention to to the importance of our econo-

mic position so that we can

better defend our country in

lined the need for Britain and her allies to be strong in

on the Soviet claims about

" I think the SALT talks are pretty damaged as things stand

today. That bas to be recog-pised." he added.

Defending the NATO decision

was acutely aware that we faced

that was not before Christmas.

to build a special plant at the

Capenhurst works of British Nuclear Fuels to provide highly

enriched uranium fuel for the Royal Navy's nuclear sub-

Commons.

Earlier Mr. Francis Pym.

the future."

The Prime Minister replied:

genuine arms control.

Communist parties."

Most of us would welcome

It would strengthen the

pledges

value of the paper they had The need for caution in commissioned, and contended assessing the worth of long-that this explained why it had

Only since the election had the document assumed "such a spurious significance."

When Mr. Reg Freeson (Lah., Brent East), the former Minister for Housing, asserted that Labour Ministers had believed the document to he correct, Mr. Heseltine retorted: "I am en-titled to believe that the Labour Government did have good reason for not publishing it." Mr. Heseltine clashed with

the former Minister again when he highlighted the difficulties in making long-term assess-ments which required economic assumptions to be mede for years in the 21st century. Mr. Freeson declared that council bouse sales on the hasis proposed by the Govern-

would result in losses

after five years. To Tory Isughter and cheers Mr. Heseltine snapped: "You are an expert at losing money after five minutes, never mind after five years."

The market value of the dwelling would be determined commissioned by the previous by the local authority valuer, Labour Government hut never or the district valuer, if the published—which, according to tenant so chose. The purchase



Mr. Michael Heseitine

price would be based on market value less a discount of between 33 per cent and 50 per cent, depending on the purchaser's length of tenancy.

bome ownership within the reach of many for whom it would otherwise remain an impossible dream," the Minister Mr. Heseltine emphasised the fsct that Labour - controlled councils would not be allowed

to frustrate the sale of council bouses to tenants. "If it appears that a council is not taking adequate steps to facilitate a sale under the Bill council houses which were not I shall be able to take over tha new. transaction," he said.

The central theme of the new the "admittedly generous dismeasure was to encourage the counts" proposed by widest response from the largest Government were likely to lead number of people to help solve to a very large demand for the their own problems, thus enabling the concentration of the early years. But it was still the case that public sector resources on those with the most pressing prob-

Mr. Heseltine also underlined the value of the "tenants charter" embodied in the Bill. It would enhance the rights and status of public sector tenants. dream." looked to huilding

societies, pension funds and insurance companies to take up the new opportunities which the Bill offered for those interested in reviving the private rented sector on a realistic economic Other provisions of the Bill,

the Minister explained would lead to the introduction of a new system of bousing subsidies and regulate the distribution of tax payers support to local governngth of tenancy. Mr. Roy Hattersley, Shadow
"Our discounts will bring Environment Minister, said the Opposition's principal objection

to the Bill was the effect it would have in reducing the pool of rented property in the public The property which these people vacated opened the way

for a substantial number substantial number of for new tenants in relets desperate need-75 per cent of who hecame local tenants moved into anthority

Mr. Hattersley conceded that

"Our discounts will

bring home ownership within the reach of many for whom it would otherwise be an impossible

at least half the present number of council tenants would not be able to afford to buy thair houses however great the discounts. Mr. Hattersley described the

private landlord as "an anachronism in the 1980s." It was impossible to support the interest of the tenant while at the same time providing the private landford with sufficient rewards and inducements to revive the private rented sector.

tenants was through the exten-sion of municipal ownership as bad long heen advocated by the Lahour Party.

Mr. Hattersley, who made it clear that Labour MPs will

ensure that the Bill has a protracted Committee stage, 21so predicted that the Government's policy would result in "massive rent increases" for council tenants.

Proposals on ethyl alcohol attacked

By Elnor Goodman

EEC PROPOSALS to create common marketing regime for the ethyl alcohol products or agricultural origin were attacked yesterday by the Lords European Community

Britain would, bowever, be a net beneficiary of the pro-posed scheme.

The committee concluded in a report published yester-day that the scheme would not control the root problem of surplus production. It would mean, in practice, an extension of the Common Agricultural Policy into nonagricultural sectors.

Moreover, the committee concluded, it could result in the "needless" subsidy of certain alcoholic drinks, such as fruit hrandles.

The regime proposed, it says, would give special protection to alcobol products of agricultural origin and create
"reserved" sectors in which
only alcohol of agricultural
origin could be used.

The TGWU, the largest union representing Government hluccollar staff, is circulating in-· This, the report says, would take markets away from synthetic agricultural pro-ducers who would be unable structions on how to deal with te match open-ended anbsidy the introduction of contract cleaning. The union said that important that we effectively Government establishments were oppose the contracting of cleanavailable on agricultural alcobol.

However, the UK Scotch bisky woold receive around £21m a year in production refunds, while contributing only around £15m a year.

● FOOD AID: More than half the 5,000 tonnes of rice hought on Britain's beball hy the World Food Programme for Cambodians will be distributed among refugees in the Thai-Cambodian horder areas. The rest has been sent to Kompong Som or Phnam Penh, Mr. Nell Marten, Overseas Development Overseas Development Minister, told the Commons yesterday.

• FEWER VOLUNTEERS: The Police Advisory Board is to set up a working party to investigate ways of halting the decline in the numbers of upaid special constables, Home Office Minister Lord Belstead told the Lords.

ONUCLEAR RISKS: workers were involved in 11 incidents at Windscale last year, in which personal contamination of intake of radioactive substances was suspected, Mr. Norman Lamont, Energy Under Secretary, told the Commons.

•HOLIDAY QUOTA: The Government is to discuss selection of public holidays for Christmas and New Year. Mr. Patrick Mayhew, Employment Under Secretary, said the Government would bave to declare alternative weekday holidays over Christmas and New Year for public holidays falling on weekends.

• NO TORTURE: Torture is

not included in the training of service personnel at intelligence centres. But Defence Under-Secretary Barney Hayhoe told MPs:
"Certainly, there is a degree
of physical hardship and
mental stress." Courses took place under medical supervision and there were plenty of volunteers to train in the techniques of resisting violent

new target figure of £3 an hour tions claim for manual workers for craftsmen with pro rata rises for other grades. in the civil engineering industry. The claim also includes an It is thought to follow most of the submissions made by the Transport and General Workers' extra week's summer holiday and significant improvements in sick pay, together with higher Union national committee for

Manual workers in civil

engineering submit claim

shift premiums and "plus The general pay element is thought to include a demand for rates" and a 35 hour week. It is also believed to contain significant increases in basic rates with full consolidation of a provision that severence and redundancy payments should be cutstanding pay supplements.

This is in line with the attilinked to local arrangements on

working hours.

The unions, which also include the General and Municipal Workers' Union, are seeking higher travel and subsistence allowances and the establishment of a pensions scheme. They want occupational and health service

provisions to be generally im-proved, together with general

UNION NECOTIATORS yester port Workers had included a site facilities

Union officials will almost certainly want to discuss the removal of what they say are a form of penalty clause on pay imposed by soma employers.

This refers to cases where the unions say employers do not pay honuses when em-ployees have failed to work for the full 40-hour standard week. In an attempt to combat

absenteeism, employers some-times cut holiday pay if men fail to turn up for work on days immediately preceding and following statutory holidays.

The claim was submitted yesterday to the civil engineering construction concillation hoard. The employers are expected to respond in late February with a settlament due in the summer.

London dockers' strike affects 19 ships

DOCKERS in London's enclosed docks went on a one-day unofficial strike over pay yesterday which halted work and affected 19 ships. It could be the first of a series of lightning stop-

pages.
The unofficial action involved about 3,500 Transport and General Workers' Union men. Members of the much smaller National Amalgamated Steve-dores and Dockers union turned up for work but refused to do other people's jobs, bringing work to a standstill

A London enclosed docks em-ployers' association spokesman said last night that the strike was called herore pay discussions had been completed. He said the "irresponsible" attitude could lead only to further deckine in shipping traffic and more job losses.

The Port of London Authority, the main enclosed docks employer, is technically insolvent and has offered the two unions pay increases of 10 per cent—and a further 2 per cent in return for productivity agreements. These would mean reduction in manning levels

The PLA is already behind

BY OUR LABOUR STAFF

Workers' Union is urging its

cleaning in Government depart-

ments, which, it claims, will lead

asking for tenders from private

The circular says: "The result of contracting the clean-

ing out will be a reduction of

15,000 johs in the iodustrial Civil Service." The union says the reduction is part of the

Government's announced intention to cut 40,000 Civil Service

Mr. Mick Martin, TGWU

public services' national secre-tary, advises all stewards to

oppose contract cleaning through the present consultative

machinery with local manage-ments. If that fails, stewards

sre to ensure that contractors

are paying the same wages es

The union also instructs lts

those in the Civil Service.

to the loss of 15,000 jobs.

companies.

TGWU fights plan

reductions this year and has told the nuoins it cannot afford to pay more.

Talks hetween the employers and the unions were held

yesterday and will be resumed tomorrow. Both sides are keen on a quick settlement. The settlement date for the agreement is January 1.

The employers estimate the transport union claim to he worth ahout 40 per cent. although the union put the cost at 30 per cent. The stevedores and dockers' union has tabled a claim worth about 30 per cent, according to the employers.

The claims also include reopener clauses linked to the retail pricei ndex and an extra week's holiday to bring the annual entitlement to five One of the main aims of this

year's . negotiations, . according . to the employers, is to shift the emphasis of the settlement to increasing differentials between the five docker grades. The 900 riverside dockers who tradi-fionally settle in line with the enclosed docks have already been offered 10 per cent on pay and 1.7 per cent on bonus pay-ments and their falks are due to resume next week.

low levels of unionisation.

studies are under way which will

affect other areas of employ-

ment in the near future, it is

ing, as if we win this one we will

win them all."
The Civil Service Department

said that every department was under an obligation to use the

most economical cleaning

hold, the first preliminary

negotiations today with the Civil Service Department on the comparability findings of the

Independent Pay Research Unit,

which determines the level of increase due for ataff.

begin bolding members' meet-ings next week on the PRU

findings, which support expecta-

The two Isrgest unions will

method possible.

Council workers vote for pay deal

By Our Labour Staff

LOCAL AUTHORITY employers have virtually clinched acceptance of a pay offer worth about 14 per cent after a hallot of council manual workers in the Fransport and General Workers' Union yesterday showed overwhelming approval for the offer. The General and Municipal Workers' Union bas already declared its formal acceptance of the pay package, and the executive of the third union in-volved, the National Union of Public Employees is expected to announce its agreement today hefore a final acceptance by all three unions tomorrow.

Mr. Mick Martin, public services' national secretary of the TGWU, said yesterday that the union's ballot of its members working for the local authorities had ahowed a very substantial majority in favour of accepting the deal.

The deal raises present hasic rates from £47.28-£56.87 to £53.07-£64, and improves holiday entitlements, shift and split duty

pay and plus rates. Further increases will be pro-vided in April from the second stage of the Clegg comparability for contract cleaning award, which will take the new consolidated basic rate to £54.45-

consolidated basic rate to £54.45 £68.91. Though the offer is on the face of it within the 131 per cent THE TRANSPORT and General members not to work with conprovided in the Rate Support tract cleaners who are not Grant last November to cover pay and price increases for the Civil Service members to resist TGWU members or do not bave the introduction of contract an agreement with the union. local authorities, and within the The union is concerned ahout broad guidelines laid down by the use of outside labour in an the Cabinet for public service industry it says has particularly pay increases, some union officials believe that the real Mr. Martin sald: "As other size of the offer could he rather

more than 14 per cent. Even as it stands, the deal when accepted seema likely to present local authorities with the difficult choice of further rate increases or further manpower reductions. The em-ployers made it clear when they originally tahled the offer that It exceeded the pay element in the cash limits for councils by about 4 per cent, or £80m.

 Unions representing white-collar civil servants are dua to
 The unions involved are likely to be satisfied with similar offers The unions involved are likely for 250,000 health service ancillary workers and 17,000 ambulancemen. The ancillary staffs are expecting an offer in reply to their "substantial" claim on Friday.

Container plant dispute likely to end

A FIVE-MONTH strike, which has halted production at Adamson Containers plant at Reddish, Greater Manchester, for the past five months, could end this

weekend.

A mass meeting of the strikers today will hear the result of talks in London between union officials and top management of the Acrow group, which owns the £4m factory. Acrow said afterwards that a formula had been reached for a full resumption of work,

EMI to merge record activities

By Arthur Sandles

EMI, recently acquired by Thorn, is dissolving the licensed repertoire division of its record ectivities and merging the work with other divi-

The division handles e range of indipendent labels, such as Motown, Stax, MAM and Island. It was set up early in 1977 to deal with a boom in independent production companies which needed EMI expertise in manufacture, marketing and distribution,

Most of the work will go to Liberty-Island Records, a wholly owned EMI subsidiary. Ms. Alan Kaupe, managing director of the division, has resigned.



GUIDED TOUR: Sir Geoffrey Howe, the Chancellor (right), is shown round the Slock Exchange by Mr. Nicholas Goodison, the chairman.

Councils plan offensive

BY ELINOR GOODMAN

LEADERS OF the three main that Mr. Michael Heseltine, the organisations representing local authorities in Britain were meeting last night to discuss a hut said any Russian offer of common strategy for opposing the main provisions of the Bill arms reduction should he put to the test hefore theatre Government plans to give since the legislation was first nuclear weapons were installed central government more power . mooted. in Britain and Western Europe. to curb town hall spending.

> The Local Government and Land Bill was withdrawn from the Lords before Christmas after Opposition protests that its financial and constitutional implications were too great for it to be handled in this way. It will reappear in the next

> fortnight minus 70 of its

Environment Secretary, has

the Environment Department, bad to scale down considerably the organisations involved—the his original 246-clsuse Bill. It Association of Metropolitan Authorities, the Association of County Councils and the Association of District Councils—of legislation to get through believe that the Government Parliament in a crowded session, may bave modified some Mr. Roy Hattersley, shadow detailed provisions for control-

failed to appease the Conservative-controlled organisations who heve been lobbying against Following discussions with

ling capital spending but bas not From the Conservative original clauses. But despite altered the substance of its condone local suthorities who henches Mr. John Stokes these modifications, it seems proposals.

Nor, they fear, has the Government budged on the key issue of the unitary grant. They helieve that the clauses dropped will deal mostly with planning legislation. These planning legislation. These could be reintroduced later in the Lords.

Mr. Heseltine has, however, was apparently made clear to him in Cabinet that the original Environment Secretary, says the shedow Cabinet will no

Foot questions steel figures

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

strike provoked a clash in the Commons yesterday between Mrs. Margaret Thatcher and Mr. Michael Foot, the deputy Leader of the Lahour Party.

Mr. Foot wanted to know how iong the country would have to tolerate the Prime Minister's "obstinscy" in leaving the dispute to the British Steel Defence Secretary, said that the action in Afghanistan under-Corporation and the Iron and Steel Trade Confederation.

activities the Soviet Union was prepared to undertake given the doubted the productivity and earnings figures given to the opportunity. earnings figures given to the He had never said that detente House on Mnoday by Sir Keith bad ended hut the Russian invasion would make people look with a rather different eye

the steel unions to bear their side of the case. Mrs. Thatcher told him thet

most of the steel figures given in the House came from the report of the sector working party, published on Monday and signed by the union leaders. Retorted Mr. Foot: "If you are so confident that the figures

her allies to be strong in Mr. Foot, who was standing are correct, why are you so defence. It showed the kind of in for Mr. Callaghan during afraid to meet the leaders of activities the Soviet Union was Prime Minister's question time, the unions concerned?" leaders of the trade union move- year.

THE Government's continued Joseph, the Industry Secretary. ment or the leaders of any refusal to intervene in the steel He asked how long Mrs. movement. Unlike you, I assume Thatcher intended to go on that the trade union leaders a refusing to meet the leaders of able to speak for themselves." that the trade union leaders are Swindon) accused her of "capricious negligence" over

Mr. David Stoddart (Lah. the steel dispute.

But Mrs. Thatcher replied

thet the taxpayer had been very generous to the steel industry. The question to ask was wbether people whose incomes were lower than those of steel workers should rightly be asked to subsidise the corporation the unions concerned?" further on top of the £450m that
Snapped Mrs. Thatcher: "I the Government was meking further on top of the £450m that am not afraid to meet the available to the corporation next

Rees ponders NI options

will come only when the people to install theatre nuclear weapons he said the Government there govern themselves, said Mr. Merlyn Rees, Northern Ireland Secretary, in the Labour Government from 1974 to 1976.

a threat that was real in a way "The Stormont constitution ● The Government is planning did not work and we will have to find something to replace it. The concept involved in 1922, however was the right one," he told the Royal Institute of Public Administration in

marines, Mr. Pym, told the London last night. "Direct rule can only be He said the development of gas centrifuge technology allowed resumption of domestic temporary. Its limitation is seen at times of constitutional

production of the fuel. It had been obtained from the now outdated Capenhurst diffusion who part of the fuel of th "I found in 1974 politicians

The aim must be to return to devolved government in Bei-

fast with the participation of both sides of the community," said Mr. Rees. This will not be easy as the was far too much political con-last decade has shown. There is no hlueprint or plan to work

I took a conscious decision

from and all the time there is

the Provisional IRA.

"We have come a long way from civil rights." Violence for mean that a Secretary of State should disengage from the RUC. Day-to-day involvement with the rule or devolved government, this violence must be contained. It will be only defeated with the It will be only defeated with the full co-operation of the Repub-

SUCCESS in Northern Ireland involved in 12 seats (or 17) out fore direct rule "there was no doubt in my mind that the weakest department was that of Home Affairs. "Its long-term planning, Its 'control' of the Royal Ulster Constabulary, was poor. There

-as I feel sure did my predeces-

"There was, and is, a need to help with obtaining the accepheen obtained from the now outdated Capenhurst diffusion
plant until 1963 and since then
from the U.S. The plant should
he in aervice by the mid-1980s.

"I found in 1974 politicians full co-operation of the Republic."
Speaking of his two years as
passionately did not accept the
logic of the political arithmetic including tha acceptance of the police by both
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Republicance of the police by both
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pa

Derek Robinson may appear at union inquiry BY ALAN PIKE, LABOUR CORRESPONDENT MR DEREK ROBINSON, the is prepared for an official BL Longbridge shop steward dispute if the inquiry finds that who lost his job for allegedly be was unfairly dismissed.

who lost his job for allegedly undermining the company's Some AUEW branches were recovery plan, may give evidence this week to the union failure to call an immediate inquiry into his dismissal. inquiry into his dismissal.

The inquiry, set up by the Amalgamated Union of Engineering Workers' executive, will meet in Elimingham on Friday

Talure to call an immediate strike in Mr. Robinson's support particularly as the Transport and General Workers' Union authorised official action.

More than 350 branches have in what is likely to be the final apparently written to the session before the inquiry team union's head office criticising prepares its report for the full the executive's handling of the executive. In view of the amount issue. Almost balf of those

TWO MEMBERS of Labour's chairman of the judges panel, Shadow Cablnet have joined the administered by the British panel of judges for this year's Institute of Management, is Sir.

of evidence the team has already branches demanded the removal collected, however, it appears of the executive from office and improbable that its report will be ready for the next meeting of the executive from office and fresh elections. But Mr. Terry be ready for the next meeting of the executive on Tuesday. The AUEW executive drew supporting the demand was back from authorising strike only about half of the total action when Mr. Robinsob lost required by rule for removal of his job. But it bas said that it the executive.

Industrial writers' award judges

panel of Judges for this year a Institute of Management, is Sir £4,000 Blue Circle awards for Peter Masefield, former chairman of the British Airports. They are Mr. Eric Varley, Authority. Other members Sbadow Employment Secretary, include Mr. Terry Duffy, president of the Amalgamated Union of Engineering Workers.

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Indeed, it is at high speeds that the wind-cheating aerodynamic GTi has the effect of making seasoned motoring correspondents slip into superlatives.

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ntainer

Yet advanced aerodynamics are only part of the story. There are other highly significant contributory factors such as VariPower steering. Unlike conventional power steering, VariPower becomes firmer as you increase speed, providing an absolute sense of stability and security. Furthermore it prevents the wheels from being deflected by stones or irregularities in the road surface.

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city under

threat

By Arthur Smith

Motor

COVENTRY, CITY of the car orkers, is suffering as the British motor industry crumbles. Sir Michael Edwardes, chairman of BL, bas decided to halt lems. car assembly at the Triumph inevit factory, Canley, with the loss of around 6,000 jobs.

Talhot UK, formerly Chrysler

the co-operative ideal.

True, the level of jobless in the city has fallen in each of the

Humher, Singer and Hillman,

know they have to achieve consistently higher productivity to avoid closure, while around 40 per cent of the more than whole remained steady at 5.3 motor industry as an employer is attributable not to its success but to the general decline But the favourable trend for of the manufacturing sector. 4.000-strong labour force at the nearby Stoke engine plant is dependent upon a £100m-a-year well above the national average, contract to supply components

But for Covectry it is not just the big names of the car industry that have been hit Despite hefty injections of State cash, Alfred Herhert, once a world leader in the machine tool industry, is considering proposals to sell parts of the business to alleviate its latest financial prohlems.

The Meriden motorcycle companies to the most celebrated

perative, the most celebrated of the worker-owned ventures set up by Mr. Anthony Wedg-wood Benn, is also struggling for survival. Mr. Geoffrey Rohinson, Labour MP for Coventry NW, who bas taken executive control of the enterprise, insists that a tie-up with a foreign company could solve the immediate financial prob-But the price would inevitably mean the sinking of

and before that Rootes with past five mootbs with the result famous marques such as that hy December adult Humber, Singer and Hillman, unemployment had dropped. is now-owned by PSA Peugeot-from 6 per cant to 5.6 per cent. Citroen of France. Workers at Over the same period unemploy-Ryton assembly factory ment in the West Midlands as a

is seen merely as a delayed response to the upturn in the national economy during 1978.

Entering

The city is entering the latest unemployment will climb from the present 11,522 to hit a new peak either hy the end of this year or the middle of 1981. The previous record of more than 16,700 was set in 1976 in the wake of the financial problems at BL, Chrysler, Alfred Herbert and Meriden. Traumatic as the Rootes and Dunlop. experience of that year was much worse is expected this time round.

Though it was in the pros-perous 1950s and 1960s that Coventry gained its reputation as the home of Britain's car industry, the city bas grown in 1960 37.5 per cent of manufacturing employment was in the motor industry, the propor-tion bad increased to 43 par cent hy 1976.

Coventry, which has become some 21,000 jobs were lost in accustomed to unemployment the 10 years to 1976. The full dawns when it is realised that Coventry has around 57 per cent of its workers in manufacturing compared with a national average of 32 per cent. While employment was on a continuously rising trend in the recession with the mother indus-try ln such poor shape that number of jobs increased from there is widespread expectation 161,000 to 211,000, 1966 proved a turning point. The balance of payments problems of that year and consequent credit squeeze, plus hire purchase re-strictions, helped precipitate a shake-out in the car industry with large-scale redundancies at British Motor Corporation,

FINANCIAL TIMES REPORT

Wednesday January 16 1980

COVENTRY

Coventry's close association with the motor car-for many years

the fount of the city's prosperity—now leaves it severely exposed to the

cutbacks announced by BL and other makers. Unhappily, its concentrated engineering

base leaves little scope for developing alternative employment sources.

It was also during the 1960s that Coventry's second largest industry, aerospace, contracted dramatically with a series of closures which included Armstrong Whitworth and Hawker Siddeley. Employment slumped from 30,000 in 1960 to naly more dependent on this sector 10,000 by 1973 as work was over the past decade. Whereas shifted from Covantry to other shifted from Covantry to other parts of the country.

British.

Rolls-Royce, which recently won orders for its factories at Parkside, Coventry, and at nearby Ansty, pravides one of the few bright spots in the local economy, but the importance of tively minor by comparison with

two decades ago. The -oil crisis of 1973, which had cut UK car sales nearly 30 per cent to 1.2m units by 1975, heralded another downturn for the Goventry economy. Chrysler dealt to Canley. More dissected 4,800 workers, Jaguar appointing was the decision by naarly 1,000 and Triumph 450, while GEC declared 1,200 redundancies and Alfred to Cowley, Oxford. Herbert 700.

Forecasters anticipate a sharp slide in UK demand for cars this year. According to the Society of Motor Manufacturers and Traders, sales are likely to be down to at best 1.5m compared with the record of around

projections, car assembly in Coventry was under threat. Sir Micbael Edwardes had already pensable under his rationalisation plan involving plant closures and more than 25,000 redundancies.

early 1960s was one of the most modern assembly facilities in Europe, producing models such as the Standard Vanguard, Triumph Herald and the TR4 at twice the present output. Starved of large-scale new investment, productivity levels and morale bad fallen in make

COVENTRY

POLVERHAMPTON

Around 6,000 jobs are scheduled to go over the next 18 months with the phasing out of the Spitfire model at the end of this year and the Dolomite in 1981. Transfer of assembly of the TR7 sports car to Solibull, Birmingham is scheduled to start next March. Loss of the assembled in Liverpool before the closure of the Speke plant, is the lesser of two blows

Canley one of the obvious candidates for closure.

Snatched

Within the past few months. assembly sites to an engineering begun with the Coventry city council about bow more than where the Alpine car 60 acres of the present 110-acre to attract new industry to the

week planned output. The main problem was at the Castle Bromwich works which supplies the painted body for the Jaguar. While restricted output has made it difficult for Jaguar to test the market fully, the model has an assured long-term future under plans

efficiency. Uncertainty surrounds the future of two other BL operatloos within Coventry—Alvis and Coventry Climax. Both are believed to he on offer to the private sector as profitable enterprises which have suffered a spate of industrial relations problems. Alvis, the armoured vehicle supplier, employs 2,000 and Coventry Climax, the fork lift truck manufacturer, a similar number.

Second to BL, which employs more than 26,000 workers in Coventry, is Talbot UK, with nearly 10,000. Mr. George Turnbull, the Talbot chairman, who bas made clear that the UK operation has only a year's Canley has seen its apparently grace to move from heavy losses into the black warned secure future snatched away, losses into the black warned reducing one of BL's prime the 2,000 workers at the Ryton assembly plant that failure to could mean closure.

While employees at Ryto site can best be made available initiative to safeguard jobs, workers at the nearby Stoke At Jaguar, which employs able. Disruption of the con-edundancies.

5,500 at the Browns Lane factory tract to supply car kits to Iran The demise is the greater to and 2,500 at Radford, production could put some 2,000 jobs at the extent that Cauley in thethroughout 1979 was held down risk.

What's good for Courtaulds is good for Coventry

High technology combined with vigorous export achievement creates growth and expansion

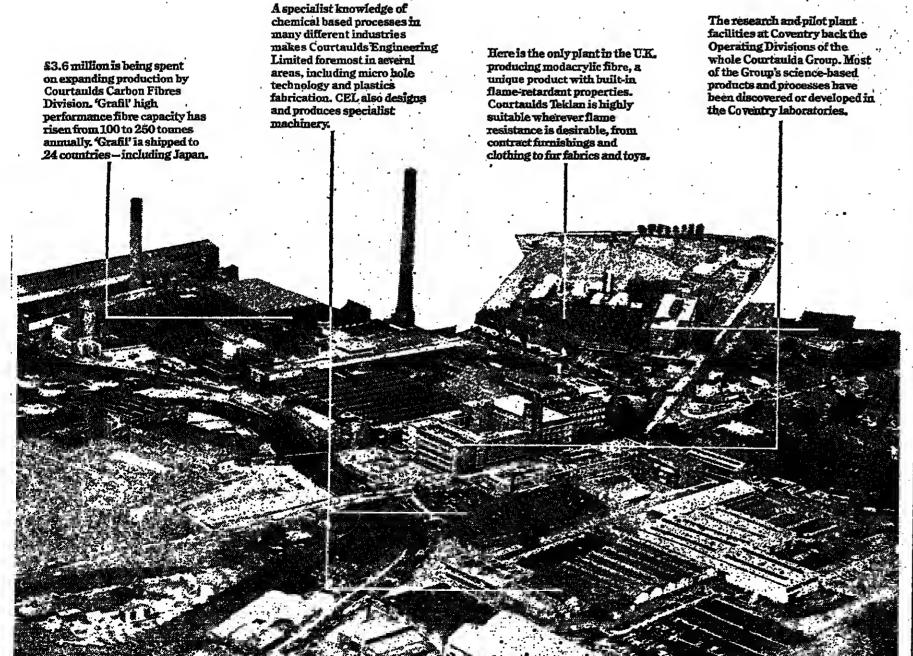
At Coventry, Courtaulds employ 2,900 people in the main works and a further 1,100 at Little Heath. In its four principal laboratories a staff of 800 work on research and development programmes which back up the whole Courtaulds' operation. Much of the work undertaken is brilliantly innovative and involves high technology.

From Coventry, Courtaulds two export organisations-Lustre Fibres and Export Services - sell and ship 210,000 tonnes of merchandise annually to virtually every country in the world. A major contribution to the Group's £425 million worth of exports in 1978/79.

In Covenitry engineering isn't confined to the car industry At any given time Courtaulds' technical staff may be found. working on projects as widely removed as an acrylic plant in China, a viscose plant in Iraq, a pulp mill in Swaziland or a luxury hotel in the Gulf. Courtaulds Engineering Ltd. (CEL) fields a total capability for design, manufacture, construction and commissioning plants. This capability is employed extensively by companies who recognize CELs breadth of

At Coventry, Courtaulds manufacturing divisions are spearheading-as they have always-the continuous development and expansion of new and improved products. 'Grafil', Courtaulds carbon fibre is a case in point.

In Coventry the Group manufactures the world's widest range of carbon fibres, and each year expects to see a 40% increase in demand for its products throughout the world.



Sharp decline in job vacancies

employment higher than the national average. Yet until recently there has been a serious shortage of skilled workers to meet the labour needs of high technology industries.

The area has long prided itself on its advanced engineering industries, but it is clear that the erosion of differentials for the skilled workers and the attractions of better paid jobs outside the factory have led to the present problems. Over the past year there has been some fluctuation in monthly

unemployment hut for most of the year it has been above both the national and West Midlands average. In November last year the unemployed total waa 12,025, 6 per cent of the working popu-lation compared with 6.2 per

cent a year earlier. Although youth unemployment in the area remains high at around 3,500, the upward trend of the past few years appears to have levelled out. A study carried out by Coventry City Council points out that most

of the improvement over the

past year has also been among young males. It is now expected that un-employment in Coventry will follow the national trend and begin to rise as the recession bagins to bite deeper during the coming year. Youth unemploy-ment is not expected to fall below 3,000 during the winter

The council report points out can be plotted in the vacancy

try, which reached a peak in August, bave now declined and there has been a similar pattern of channelling more more in engineering as a whole, with areas such as Coventry, a sharp fall in vacancies since investment outlook gane then. In the service industries there was a build up of vacancies until around the middle of the year, but these have declined

rapidly in recent months. Overall, the average level of vacancies in the three months to November shows a reduction of nearly a quarter on the average level for the previous three months. The reduction has applied across the industrial spectrum but has been particularly worked. larly marked in the engineering and construction industries, where vacancies fell by 50 per cent between August and

Higher

The latest quarterly survey by the West Midlands regional group of chambers of commerce confirms the pattern by showing that there has been a sharp reduction in the recruitment plans of companies in the area. Even worse, it appeared that the number of companies the manner to decrease their labour forces in the final quarter of last year was elightly higher than the number expect-

In Coventry the situation was marginally batter, with a net 10 per cent of respondents expecting increases in employment. But regionally and locally the results were the most pessimistic since those of early

The number of jobs which statistics, which show a fall in will be lost in the coming two the availability of jobs. The years through the BL recovery average level of vacaocies in the plan and the cutbacks af its three months before December plants in the area will be diffishowed a reduction of 13 per cult to replace, although much cent on the corresponding period depends on the level of overall

COVENTRY continues to suffer last year and further falls are investment which can be predicted.

Midlands—from a level of uo
Vacancies in the motor indus
that Government measures to reduce the regional investment incentives will have the affect of channelling more money into areas such as Coventry, but the giving little grounds for

> Thare are, however, a few bright spots where increased employment seems likely. With numbers nationally in the aerospace industry now rising quite sub-stantially, it can he expected that Rolls-Royce's aero engine activities in Coventry will generate more jobs in future. Similarly, its industrial and marine division, which manufactures turbines for marine and industrial use, is experiencing strong demand for its products and there are plans to extend its manufacturing facilities at Austey.

GEC has also enconraging performance recently, with sales up by 6.5 per cent in the first balf of last year in real terms, and it is seeking 150 extra technicians locally as it builds up for production of the paragraphs duction of the new advances System X exchange.

The Coal Board is increasingly optimistic about the ingly optimistic about the recently developed South-Warwickshire coalfield which lies under the western side of Coventry. Total reserves could be as high as 1bn tonnes of which 300m may be recoverable. Although development is some way off, the prospects for more jobs are good.

But with the exception of the coal project, these are all skilled jobs which will do little to drain the existing pool of unskilled unemployed, and in any likely to be fairly small.

Lorne Barling

Moves to lessen dependence on the big groups

DESPITE ITS delayed impact, new orders and a 10 per cent increase in Post Office purchassituation which underlines the need for measures aimed at revitalising local industry, par- losses and a rise in sales to ticularly through the agency of nearly £30m, but for the indus-small and medium-sized con- try as a whole the high level

In industrial terms Coventry is an advanced area, where industry has also suffered from skills bave traditionally been imports of fibres from the U.S. important to the development of the big companies which are the main local employers. These are chiefly manufacturers of cars, motor components, tractors, machine tools, telecommunications equipment and textiles.

The past five years heve been difficult for many of these industries, however, and unemployment in Coventry has risen from less than 5,000 in t973 to more than 12,000 in November last nnly slightly better than in November 1978. Unless this trend is reversed it ia estimated that the figure could rise to 25,000 in five

Counteract

It is becoming increasingly clear that unless some of these major industries can counteract unfavourable trends—some of which are admittedly difficult to control because of international factors—and also improve their productivity, prospects for Coventry are bleak.

The area remains and will continue to remain highly dependent on the motor industry, since a large proportion of the smaller companies are suppliers of materials and components and will live to a conderable extent in the shadow of its success or failure.

There are other sectors, how new orders from aerospace com-ever, which are showing encouraging signs of being able to exist independently. machine fool industry, for in-stance, showed signs of recovery well represented is telecom-in the first half of last year munications, with GEC's local with a 15 per cent increase in factories henefiting from an

rise in sales, but despite good nrder books the impact of the recession is now causing concern. First half results of Alfred Herbert showed a reduction in of imports is still a problem.

imports of fibres from the U.S. where low feedstock prices and the dollar-sterling gap have given importers a strong advan-tage. However, Courtaulds, a major presence in the Coventry area, is to go ahead with plans to invest £100m in its current financial year, of which £1.3m extending output of material for carbon fibre production.

This follows investment of £2.3m nn increasing production of carbon fibre itself at Coventry. The latest project is designed to meet growth in demand for this strong lightweight material. But because of a high degree of automation, it means only a few more new

In the higher technology industries whose operations affect Coventry, the outlook is somewhat better. Output of aerospace equipment has been stimulated by world demand for the new generation of quieter, more fuel-efficient aircraft and local industries bave benefited.

As a result, employment in the industry is now rising fast after falling since 1974 and the decision hy Rolls-Royce to adept its RB-211 engine for use on the European Airbus should be a boost for the company's Coventry factory, which makes parts for the RB-211. Dunlop's new orders from aerospace comlocal activity.

The other area of edvanced

ing last year. Other notable nrders included one for payphones for Japan, and perhapa most significant for the long distance optical fibre system. However exports during the year for the industry as a whole bave been disappointing. While the manufacture of

high technology products is clearly an advantage to Coventry, there is a broad move to lessen the area's reliance on large companies which are prone to the vagaries of internetional markets, particularly when concentrated on a narrow range of

Considerable effort has been directed to boosting the activities of smell and mediumcompanies, encouraging them to move eway from being sub-contractors and majerials suppliers into the manufacture their own identifiable products. Coventry City Council has been in the forefront of this movement, encouraging the development of small factory units, guaranteeing bank loans tn small companies, providing advisory services and generally assisting where possible.

It is pointed out that of around 180,000 people employed in the area, about half work for companies with fewer than 200

should not be too dependent on the larger companies for work. what it describes as an "innovation centre" to eocourage people with new ideas to put them forward, in the hope that they can lead to the production of new products.

While accepting the need for this kind of enthusiasm, many companies are pessimistic about the outlook for new products. They point out that with high interest rates and falling demand it is extremely difficult to launch a new productwhich would be expensive to develop anyway.

Premises

Judging by the level of demand for new industrial premises the small company sector remains healthy, but much depends on the future competitiveness of the big companies. They in turn are carefully watching the level of pay settlements for the effect it will heve on their own unit costs and on inflation generally.

It is estimated thet wage increases in the area bave been running et between 12 and 15 per cent on average, a fact disguised by the publicity given to

level of increase is way above many other countries, and will make exporting more difficult.

There is no evidence that Coventry has been deprived of investment compared with the rest of the country, and as a centre of industry it can only benefit from the Government decision to cut regional invest-ment incentives.

There is no doubt that these incentives have in the past attracted investment away from industrial cities such as Coven-try, which are more natural sites for new factories or enterprises than the more remote regions. But like other areas of the Midlands, the city and its industry are entering a period of uncertainty. Many tradi-tionally successful industries are in the throes of problems which are likely to worsen with the recession.

It is therefore regarded as essential that the newer high technology activities taking place in both small and large companies should replace or augment any loss of jobs or output experienced. This need is clearly foreseen by responsible people in Coventry, but its implementation is far more

Lorne Barling



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services

Lively research centre

COURTAULDS

WHEN it is not doing more mundane things like running Britain's fourth largest chicken enterprise et Dungannon or furnishing the Meridien Hotel in Abu Dhabi, Courtaulds Coventry headquarters is ant to be found introducing high tech-nology new fibres like carbon fibre or making synthetic carpet yarns emulate nature by "instructing" them, like wool, never to take it lying down.

Courtaulds research division employa nearly 1,100, of whom one in three are graduates. Most of them—around 800—are spread around four laboratories on the Coventry site. Collectively, they represent one of the most powerful intellectual stimuli in British industry and a source of inspiration for a city bard bit by the misfortunes of the car and other engineering industries.

Courtaulds came to Coventry Courtailds came to Covenity just after the turn of the century—well over 100 years after its first link with textiles was formed—to put new life into the decaying silk ribbon weaving industry. Its product was artificial silk, or viscose. Today this activity is covered by a laboratory devoted to viscose and synthetic fibres, including and synthetic above, mentally two of the newer ones—elasto-meric Spanzelle, which belps to keep women in shape and is otherwise made into transmission belts, and carbon fibre. Another laboratory concen-

trates on polyester, nylon, acrylic and acetate fibres. A third, possibly unique in UK industry, is a chemical engineering laboratory and the 11ther is an engineering development department dealing with, among other things, the application of microprocessors to the control of processes like dyeing.

Of the 91 employed in chemical engineering 55 are graduates, and there are 36 among the 67 graduetea engineering in

development. Most of the work in the fibre laboratories revolves around Eastern Europe. This helps to medifications to existing fibres. For instance, polyester, which started out as a straight con-tinuous yarn for "lace" curtains has been changed four times in the past nine years. Now it can be textured, and the most recent innovation is to spin it like cotton for dresses and Another major development has been hollow. yarns with a high moisture £1.5m a year capital expenditure absorbancy for use in towels, nappies and sports wear. The variety of knitted or woven materials, colours and prints seems almost cudless, and

designed to satisfy the clamour for new and different fashions the new high-speed looms.

The development of a new fibre is rare. A typical testing cycle is seven or eight years from the initial concept, through a number of versions and modifications before becoming an accepted material. As long again is likely to be needed for the full commercial take-up. A case in point is carbon fibre, of which Courtaulds at Coventry is the second largest producer in the world, selling to 25 countries including Japan, which takes a quarter of its output.

A £1m expansion programme under way to match the 40 to 50 per cent annual increase in demand. A year ago output was 100 tonnes. This year it starts at 160 tonnes and hy next Christmas It should be 250 tonnes. The bulk of demand comea from the eerospace industry for such items as belicopter blades and a growing variety of other components. The sports market is currently next, with general engineering a steadily growing third sector.

Shape

In another seven or eight years Coventry could well be offering attachments to garment-making machines that would shape fabrics into arms, for instance, thus eliminating cutting and waste—much as simpler garments like pullovers are mede.

Another of the manifold activities on the Coventry site. and one to which a major proportion of research and development is committed, is to cheapen production by simply-fying the routes from raw materials like oil to finished products. Or it may be to improve the life; the weara-bility of Amtico floor tiles, for. instance, has been doubled in the past five years

As its administrative offices as well as its R and D headquarters are in the City, Courtailds finds in Coventry all the disciplines it needs for its complete factory building operations—a line it has been engaged in for many years, especially in Russia and explain its involvement with the Meridien Hotel; the chicken factory came through an acquisition.

In terms of industrial jobs Courtailds is not in the hig league of city employers; it has only one factory in the city, employing 1,200. But the £7m a year cost of the research and development described. development departments and are highly significant contributions in terms of the future of Coventry.

Peter Cartwright

ORDINATEUR DE BORD TRIP COMPUTER T.E. km 2 2/100 km/h

ME TE MILES GAL MAPO MPH.

The new Alpines match to perfection the changing needs of the 1980's.

Offering excellent performance, economy and safety, in a new elegant aerodynamic energy-

saving front end with a drag co-efficient of 0.39. And introducing the new SX, with the

remarkable Trip Computer. The 1592cc SX offers a new dimension in driving satisfaction. The reasons are many.



economy. Automatic Transmission, Power Steering, Central Door Locking, Electric Front Windows, Headlamp Wash/Wipe and luxury full velour seating ensure maximum driving pleasure.

And like all Alpines, the new SX has electronic ignition for instant starting in the cold and wet and for optimum performance between 10,000 mile major

Inside, the new Alpines reflect Talbot's lead in performance and safety with an improved facia with no less than ten watchdog warning lights. The beauty of it is its versatility.

Open the fifth door and with the rear seat down you have up to 49 cu.ft. of luggage space. There are a range of three transverse economical

high performance engines, 1294 cc 1442cc and 1592cc.

Test drive the new Alpines at your Talbot Dealer today.

With new styling, and increased economy the new 1980 Alpines have arrived.

FALBOT

Ask about the special Talbot Insurance Plan, you may save up to 20%. For Duty-Free Export Sales phone Talbot Personal Exports Ltd. 01-499 7236; Alpite Consumption Figures at simulated urban driving, constant 56mph and constant 75mph 13LS 1294 cc, 50.4mpg. 10 mpg 10 mp

MATERIALS

Less wear and tear in silos and chutes

DUE TO its bighly abrasive to using ultra-high molecular action, grain bas always created problems doring handling Silos and chutes bave to be lined to avoid expensive structural problems doring handling silos and chutes bave to be lined to avoid expensive structural repairs every few months. The choice of a sultable lining material is difficult, as many different criteria must be fulfilled. Not only must filled. Not only must the meterial bave good abrasion it outlasts stainless steel while resistance, but it must also be being around one-ninth of the capable of withstanding impact, resisting ingress of moisture and preferably bave properties which reduce caking and preferably bave properties in this capable of withstanding impact, weight. A high impact strength combined with an extremely low coefficient of friction minimises damage and ensures an even flow of grain. freezing

Over the years several alternatives have been tried and stainless steel has been used extensively. It gives good abrasion resistance but because of its weight, a thin gauge is cormally used and this needs to be renewed frequently. The area surrounding the chutes is also extremely noisy as steel does not deaden the sound. Relining chutes and silos is a long and involved process due to the nature of the material.

Hard elastomer polyurethane linings have also been used and bave been very successful, but bave proved expensive to

Recently, several American grain companies have changed 71971.

COMPUTERS More competition

FRESH challenge in the big cessor complex, with throughput computer arena from National equivalent to the IBM 3033. It Advanced Systems is with three can be ordered as a four computers aimed at the middle and upper complex from National or be end of IBM's 303X Series. end of IBM's 303X Series. field u Advanced Systems 7000 AS/7000.

family processors are manufactured by Hitachi and marketed under a recent agreement between Hitachi America and National Advanced Systems. AS/700N is a two megabyte.

six channel basic processor expandable to eight megabytes ance of the family shows an and eight channels. It has up to 2.2 times the throughput of the IBM 3031. AS/7000 is a system with approximately 1.2 times the throughput of the AS/7000 DPC is a dual pro-

even flow of grain.

Movement of grain creates a

build-up of static electricity

which, in a dusty environment

such as exists in the silos and

chutes, is potentially very dangerous. To prevent this

Standard and anti-static ultra-

high molecular weight poly-

theyleoe are available in the

UK from Solidur Plastics of Brownhills, a wholly-owned sub-

sidiary of a German company

which produces 40 per cent of

Europe's total output of this

brook Road, Brownbills, Walsall,

West Midlands WS8 7DG. 05433

Solidur operates from May-

form of polyethylene.

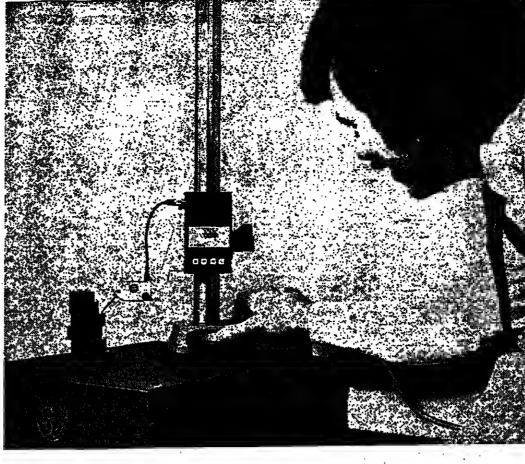
These machines are largely intended as an answer to the IBM "N" modifications of the

megabyte, eight-chanel basic

303X series announced before In Europe, the price/performaverage 25 per cent improve-ment over the newly-announced

IBM 3033N, the company asserts. National Advanced Systems, Bowater House, 68 Knights-bridge, London SW1X 7LN.

Imperial and metric readout is available at the touch of 2 switch with this height gauge, the Digit-Hite (made by TESA of Switzerland). It is intended for use by quality control inspectors and production marking-out staff. Height adjustment is by a coarse setting on the head and a fine adjustment by a thumb wheel at the base. Power is from batteries in the head which may be removed for charging or charged in situ. Sensing of the measuring points is indicated by a dial indicator or by a switching gauge head which locks the digital display when contact is made. It is claimed that this latter feature makes height measurement an almost unskilled operation. Measurements may be held in electronic memory at the touch of a button, which is convenient if the digital display happens to be facing away from the operator when working in confined conditions. Marketed in the UK by the TESA gauging division of Matchiess Machines, Horsham, West Sussex,



• TEXTILES static boild-up an anti-static grade of the polymer is pro-

(0403 60271).

Gives greater control of humidity

IN MOST industrial drying, Precinct, Castle Street, Stock-cootrol of the process is con-tinuously assured by sensors has been in use for some time in taminants. This is particularly

applicable either to batch or to continuous drying, as measures the humid exhaust from the drier. humidity of

humidity monitor, marketed by Samuei troller is suitable for tempera-Bradley (Machinery Sales), The tures up to 260C (500F) and it

(PET) bottles in commercial fingers.

involved are made at

short skirt aluminium roll-on increased.

quantities for the retail trade.

Metal Box's plastics factory at Wrexham, North Wales. A

PACKAGING

that measure, record and control the U.S. where, it is reported, burnidity. In certain instances, it has enabled certain milis to however, these sensors can be make as much as 33 per cent ineffective by coo- savings in energy consumption. In addition to this, the An approach to the solution of the problem is provided by a new piece of equipment which is textile processes as in high temperature drying, and this results in improved quality and better uniformity to the finished

products. The Texicon bumidity con-

The two-litre bottle meets the

parts. The overall height of the bottle is the same as the 1]-

litre but the diameter has been

New range of plastic bottles

can either ba used as a handbeld piece of equipment or built in a range for fully automatic bus to dry one pound of operation.

bus to dry one pound of fahric, or 1,100 Kcal/kg. With operation.

In earlier systems it was necessary to compare dry-bulb with wet-bulb temperatures, but this posed the problems of the wet bulb wick drying out and becoming contaminated, but with the new system the wick is being moved continuously and antomatically so that it cannot be dried out nor become contaminated. It is this which ensures that it provides a constant and accurate humidity value of the atmosphere it is

is being consumed.

поше.

water are especially necessary for medical and pharmaceutical techniques, as well as a number of industrial processes, and the METAL BOX is the first UK used and there is a grip on the expected shelf-life of the importance of "High Purity Water Systems" (and how they company to manufacture two- the standard neck of the bottle product and is kept to an litre polyethylene terepthalate so it can be carried with two acceptable level while the drink can be installed) will be the subject of an all-day meeting strength of PET means few of the Filtration Society on Tuesday, February 26, at the breakages during filling, distri-Bloomsbury Centre Ho Coram Street, London WC1. bution and retailing and the bottles are safe to use in the

PET is approved by the Food and Drugs Administration of the United States for beverage use. More details from Queens closure made at Metal Box's Market trials have proved that House, Forbury Road, Reading Carlisle general line factory is carbonation is held throughout RG1 3JH, 0734 581177.

Normally it requires in an oven an average of some 2,000

the new system of humidity measurement and control this figure can be reduced to 1,200 BTUs/lb or 660 Kcal/kg. Assuming a drying stentar is running at 50 metres/minute. this could represent a saving of 1,100 lbs (450 kg) per bour.

CONFERENCES **Producing** pure water

SUPPLIES OF ultra clean

Registration fee for the day, inclusive of coffee and a threecourse luncheon, is £10.00 (£20 for non-members) and registrations should be sent to the Society at I. Katharine Street, Croydon, CR9 1LB

COMPONENTS Keyboard is operated by touch

AIMED at OEM applications. when environmental considerations are critical and conventional electromechanical keyboards would require special protection, an all-solid state alphanumeric keyboard—the TASA Model 55—is offered with touch-sensing operation.

The first keyboard uses a new micro-proximity switching tech-nology developed by California-based Touch Activated Switch Arrays (TASA). Instead of electromechanical keys, the keyboard bas touch-activated sensor areas, with all electronic sensing circuitry hermetically sealed inside an ultra-thin (1') polycarbonate case.

This may be seen as a "next generation" man/machine interface for digital systems, eliminating the mechanical aspects of conventional keyboards.

Touch keyboards are particularly suited to applications where traffic is beavy, but maintenance must be minimal where traffic is beavy, but board is required, a lightweight maintenance must be minimal —such as marine, military, or security systems, or controls on Betterton Street, London WC29

Atlas Copco compressed air systems.

A force you can tum into profit.

Stilan Copco

Another important potential application is in medical and similar fields where equipmen must be regularly decontaminated. As well as being physically robust, the TAS keyboard literally can be washed down with cleaning fluids.

Life expectancy of the key-board is extremely high, as there are no moving parts, and no contact closures. It gives a full 8-bit, 128 position ASCII output that can be connected directly into a system's data bus. A built-in voltage regulator is incorporated in the keyboard, which draws a maximum current of 25mA from any 15V to 25V power supply. Physical dimensions of the unit are 15 in by 61 in by 1 in. For applications where a free standing key-

Porous plastic tubes

UNDER A licensing agreement the basis of a wide range of with Electra Plastics, an Israeli filters, liquid concentrators, gas company, Handling, Reading, Berks RG3 6AZ (0734 580567) is to produce a range of porous plastic tubes.

Flowtech says the tubes can be manufactured to almost any length in various thermoplastic materials including polyethy-lene, polypropylene and polyamides offering a wide range of genation of waste water, porosities (1 to 30 microns). polluted streams and industrial

Flowtech Fluid diffusers and aerators. Filtration applications include

water clarification and prefiltration, filtration of metal hydroxides and waste water, removal and washing of suspended solids and concentration of juices and extracts Aerators and gas diffusers can be used for aeration and oxy-The tubing can be used to form effluents and other process

a hot air jet which melts the

adhesive coating of the wire.

The coils are thus self-support-

ing after winding and need no

Each finished coil is indexed

out of the winding position with its supply wire still attached. As

the next mandrel reaches the

accelerates almost immediately

to full speed. This high

acceleration is as important as

winding speed in achieving

High speed coil winding turret. The turns of the coil are bonded during winding by

MINIATURE coils wound with several thousand turns of very fine wire such as may be used in computer equipment can be produced on a new machine by Rotawinder that produces them at 45,000 rpm-three times as fast as standard machines.

This very high winding speed is made possible by the use of patented conical flier that winding position, the flier reduces direction changes in the wire path to a minimum and protects the wire from wind and centrifugal force effects. The coll does not rotate dur-

ing winding—the wire is wrapped around it by the coneis drawn.

drels mounted on an indexing the machine:

Ability to accelerate rapidly, without breaking the wire is shaped flier which has a hellow due to the inertialess tension shaft through which the wire system used, and to highly polishing and amodising the Each coil is supported on supply reel container, which one of two bobbin-shaped man- assists the passage of wire into

maximum production.

Easily used load cells

LOW PROFILE load cells from Strainstall, Denmark Road, square-beam principle to

from two to 200 tonnes, and cells having ben developed from higher loads can be accommo units installed beneath concrete dated by installing more than structures in the North Sea. one. Placement is simplified by There they were used to check the cells low height, the 200-equalisation of loads as plattoune version for instance being forms were lowered on to the

CONTRACTS AND TENDERS

BRAZIL

COMPANHIA HIDRO ELETRICA DO SAO FRANCISCO (CHESF)

ENERGY MANAGEMENT SYSTEM

Centrals Electricas Brasileiras S/A (Eletrobras) is applying for a loan from the World Bank, part of which is intended for financing the cost of an Energy Management System (EMS) for the aupervision and control of the operation of CHESF's electric power system. This EMS will be located at CHESF's system operating centre in

About the end February 1980, CHESF intends to issue official bid invitations and specifications covering the supply of all hatdware. software system integration services and training necessary to provide a completely operational system including temote terminal units, computer peripherals, man-machine interface teleprocessing interface, support software and applications software. The EMS system shall support remote consoles to be located at CHESF's five (5) tegional operations centres as well as a computer-to-computer communication link with the Brazilian national supervision and co-ordination centre computer facilides.

The EMS system functions will include forecasting and scheduling study mode and real-time security assessment, system monitoring. Supervisory control, automatic generation control, voltage acheduling, energy accounting end operations analysis, recording end report-The CHESF present installed capacity is about 3000 MW 190 per cent hydro-electric) and is expected to increase to about 2000 MW by 1986, the system will then have transmission at 500/230/13g KV.

rospective biddem from member countries of the IERD or Switzerand are invited to indicate in writing their desire to be included a mailing list to receive, at the time of the issue of the bid cumentation, en official invitation to participate in the bidding. etters shall be addressed to:

Companha Hidro Eletrica do São Francisco - CHESF Diretoria de Suprimento Departamento de Compras e Contratacoes Divisão de Aquisições Especiais Rua Dr. Eiphego jorge de Souza, 333

he bid documentation will be only available at the above mentioned dress at a coat of U.S.\$200.00.

TRAVEL

MONACO GRAND PRIX May 1980

Lexurines new yecht as hotal base for 4 persons. Staff on board, Reserved seats lar Grand Prix. Some cruising. Magnificent food and wines. Car by errangement with driver available if required. An exciting break—can be tailored to auit your speciel requirements. Write: Carol Richorda Ltd., Tharnton Rond, 2mdford 8D1 2JT ot tel. 0274-31442.

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11-2.30 am Shows at Midnight and 1 em.
Mon.-Fri. Closed Saturdays, 81-437 6455.

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information contact Developer: c/o GLORE PLAN S.A., 24, ev. Mon-Ropes, 1005— LAUSANNE, Switzerland, or call: tal. 021-22 35 12 telex 25 185 MELIS CH

LARGE ULXURY FLAT to lat, 4 bedrooms, iounge, reception, Dining room, tennis courts, ourter, security, CH, CHW, \$350 pw for a fixed term, Ring 437 113/Y SERVICED Loxury Apartments, Shidlos, Singla Doable, Sanswater, Kentangton, Mayrair, St. John's Wood, 570-6275 pw. 612.50-6476 delty, Collinson of the Sym Mon-Fri. or 18 am to 2 gm Sat.

LEGAL NOTICES

THE COMPANIER ACTS 1948 to 1976
MAJOR FABRICATIONS LIMITED Formerly E.J. Progressive Fabrications
Limited NOTICE IS HEREBY GIVEN, pursuant to acction 293 of the Companies Act 1948, that a Meeting at the Creditors of the above-named Company will be held at the offices of

held et the offices of LEONARD CHRTIS & CO., situated at 3/4 Bentiack Street, London WIA 38A, on Wadnesday, the 23rd day of January 1980, at 12 a clock middey, lar the purposes mentioned in sections 294 and 295 of the seld Act.

Osted this 8th day of January, 1980.

Osted this 8th day of January, 1980. By Order of the Board. E. WOOLLETT, Oirector.

THE COMPANIES ACTS 1948 to 1967
BELLORDS LIMITED NOTICE IS HEREBY GIVEN, pumuant to section 283 of the Companies Act 1948, trist a Meeting of the Creditors of the above-asmed Company will be held at the offices of LEONARO CURTIS & CO., eitusted et 3/4 Bentinck Street, London WIA 3BA,

London WIA 38A, on Friday, the 25th day of Jonuary, 1980, at 12 o'clock middey, for the purposes mentioned in sections 294 and 295 of the said Act. Dated this 8th day of January, 1980. By Ordet of the Board. M. BOHRER, Director.

VILLARS Switzerland The Alpine resort of highest reputation,

litre polyethylene terepthalate so it can be carried with two

This new development for needs of the soft drink trade as carbonated soft drinks is being it is designed to run on the

used to pack three well-known same lines as the 11-litre bottle

lines and the lightweight with the minimum of change

FOR SALE, in a vast private park, with woodland.

Credit up to 75% over 25 years. Interest 5%. IMMOBILIERE DE VILLARS S.A.

Post 80x 62, CH-1884 VILLARS-sur-OLLON

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Owner of centrally located building in the famous mountain recort of Villars (114 hours from Goneva, 45 min. from Lausanne) has ten apartment available.

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Prices from SFr 120,000.—

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For Information write to

For information write to 03VELOPER. cla GLOBE PLAN S.A., 2v. Mon-Repos 24. 1005 LAUSANNE. Switzerland, or call 7cl. (021) 22 35 12 Telex 25 185 MELIS CH

"Cat yoar compeny'e accommodation coats et a stroke " et LAMB'B SERVICE FLATS
These are prestigo service flots in Knightsbridge. Focilities include Cantinonial breakfast, private telephone, dely room servipe, antiqua furniture, use of saune bath, coloar TV, radio, electric door porter, lully fitted luxury kitchen. Illt. linen, central heating and water softener. Rents £21.85 to £31.05 per dey (£152.95 to £21.7.35 per week) for two-person studio flet or for two-room eaite £45 per day (£322 per week) for four parsone. Adults only. No enimels. No service charge. VAT incladed. Brochures from: 21 Egenton Gardens, London, SW3 2DF. Tel: 01-589 £297.

LEGAL NOTICES

OATED this 3rd day of Jenuary, 1980

JANNERS, 22 Upper grook Street,

Loan of U.S. \$65,000,000 1980/1990 Floating Rates

The Fiscal Agent
CREDIT LYONNAIS-LUXEMBOURG

THE COMPANIES ACTS 1948 to 1967 TOPPERS MAN'S SHOP (WEST END)

NOTICE IS MEREBY GIVEN that the Craditors of the above-named Company are required on or before the 19th day of February 1980, to cend their names and addresses and the perticular of their debts or claims, and the names and addresses of their Solicitors, if eny, to

the Court showing with respect to the cepital of the Company sa altered the several particulam required by the several particulam required by the shove-mentianed Act were registered by the Registrar of Companies on 20th day of Docember, 1979. Detail this 8th day of January, 1980. K. D. GOODMAN, Liquidator.

SWEDISH STATE HOLDING COMPANY (Statsföretag Aktiebolag) 91% 1975/1985 UA 20.000:000

Pursuant to the terms and conditions of the Bonds, notice is bereby given that, during the twelve-month period ending December 28, 1979, no Bonds have been purchased. Outstanding amount: UA 20,000,000.

Luxembourg, January 15, 1980

COMPANY NOTICES

KOMATSU FORKLIFT CO., LTD. (CDRs) Referring to the advertisement of September 5th, 1979 the undersigned autoonaces that the new stares from 10% bomes have beet received. As from 28th January, 1980 the new Chis Robustus Porklift Co. Ltd. cum.div.p.no, 9 and zaion will be gratafrously obtainable at Ket-Associatie A.V., Soutstraat 172. Amsterdam, against delivery of the required div.ps.mo. 7.

Lucambourg div.ps.mo. 7. Cao be tensines siveps.no. 7.

In Legembourg div.ps.no. 7 cao be delivered at Banque Générale de Legembourg S.A. far this purpose. After March 26th, 1980 the equivalent of the CDRs which have not been claimed by the bolders of div.ps.oo. 7 will be sold.

will be sold.

The process, after deduction of expenses, will be held in oath at the disposal of said holders.

Further the natural sold analogued analogues that as from January 20th, 1980 at Kas-Asoldate N.V. in Amsterdam and at Basque Genérale du Lucembourg S.A. in Lucembourg div.pn.sc. 8 (accompanied by an "affidavit") of the CORs Kossaksu Forkiller Co. Ltd. will be psyable with U.S.514.63 (div. per record-date 383-1879): pross Yen 4.-ps.h.) after deduction of 15% Japanese tax. Is Yen 500. = \$2.58 per COR.

Without an Affidavit 28% Japanese

Without as Affidavit 28% Japanese tax != Yen 808.- = \$3,44 per CDR) will be deducted. will be deducted.

After 30.4.1080 the dividend will only be paid under deduction of 20% Jap. 12x with \$13.77 per CDR, in accordance with the Japanes 12x regulations.

Amsterdam, January 5th, 1980. AMSTERDAM DEPOSITARY

UNION DES BANQUES ARABES ET FRANCAISES UBA.F.

Bondoldem are hereby informed that coupon no 1 will be payable on Jaly 9, 1980 et the price of US\$75.20 which is equal to 182 days' interest at the rate of 147%.

No. 003457 ol 1979 In the HIGH COURT OF JUSTICE Chancery Division. In the Matter of YELVERTON INVESTMENTS LIMITED and in the Matter of The Companies Act. 1948. Act. 1948.

NOTICE IS HEREBY GIVEN that the Order of the High Court of Justice (Charcery Original) dated 17th day of December 1979 confirming the reduction of the capital of the obove-nomed Company trom 500,000 to £71,000 and the cancellation of the Share Premium Account and the Minute approved by the Court abouting with the capital or the second to the capital or the second to the Share Premium Account and the Minute approved by

KEITH DAVID GOODMAN, FCA. of 3/4 Bentinck Str. London WIA 3BA the Liquidistor of the said Compeny, and, if eo required by notice in wriding from the said Liquidotor, are by their Solicitom, or personally, to come in ond prove their said debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Solicitors for the said Company.

KREDIETBANK S.A. Luxembourgeoise

MURATA MANUFACTURING
COMPANY LTD,
COMPANY LTD,
shdersinged announces that
Market Language 1990; at Kas-As
Hand Kredietbank S.A. Luxembo

Amsterdam, 1979. 7th January 1979. AMSTERDAM DEPOSITARY COMPANY N.V. CREDIT NATIONAL

Emprunt obligataire U.S.\$75,000,000 1978/88 à taux d'intérêt variable.

The rate of interest applicable for the six months period beginning on 11 January 1980 and set by the reference agent is 14"/a% annually.

PRIVREDNA BANKA ZAGREB US \$ 25,000,000

Floating Rate Notes 1978 (85) In eccordance with the terms and conditions of the Natas, the rate of interest has been fixed at 150 1/2% per annum for the interest period renning from Jenuary 8, 1980, to July 8, 1980 (such day inclusive). Coupeo amount for each coupen:

US\$80.57 payeble on July B, 1980.

IN THE MATTER OF
MADISON ARTISTS LIMITED
AND IN THE MATTER OF
THE-COMPANIES ACT 1948
NOTICE IS HEREBY GIVEN that the
creditors of the above-nemed Campany,
which is being volumerly wound up,
are required, on or before the 11th day
at February, 1980, to send in their luft
Christian, and aumenes, their eddresses
and descriptions, full persculers of
their debts or cloims, and the names
and addresses of their Solicitors (II
any), to the undersigned
PHILIP MONJACK, PCA,
of 3/4 Berninck Street,

PRILIP MONJACK, FCA, of 3/4 Bentlinck Street, of 3/4 Bentlinck Street, London Wild 3BA, the Liquidator of the sold Company, and, if so required by notice in writing from the seld Liquidator, are personally or by their Solicitom, to come in and prove their dabts or claims at auch time and place as shall be epecified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such dabts are proved.

ere proved.

Detad this 7th day of January 1980.

P. MONJACK, Liquidetor:

Furthermore, by using the

cation by weight.

only six inches high.

Cowes, Isle of Wight (098 measure shear force the units 3295111) have simple centre have low sensitivity to end loads and edge bolt fixings and can and misaligned applied loads. conveniently be installed under The bolt fixing allows them to tanks, silos, hoppers and weighbe solidly built into a structure.

bridges to provide contents indi
Accuracy, and long, life are ation by weight. unafferted by tough environ.

These cells can measure loads ments claims the company, the

A FINANCIAL TIMES SURVEY

PUMIS AND **VALVES** MARCH 13 1980

The Financial Times proposes to publish a Survey on Pumps and Valves on March 13, 1989, the provisional editorial synopsis is set out.

INTRODUCTION Pumps and Valves are two important sectors of engineering, covering a great variety of products which provide an essential input to a number of industries. The introductory article will put these two sectors into a national and international context—their size in terms of sales and employment their contribution to exports, their relationship with other sectors of engineering.

A GUIDE TO THE PRODUCTS A layman's guide to the principal types of product. THE STRUCTURE OF THE INDUSTRY The structure of the pump and valve industries in the UK, Continental Europe, the US and Japan. The impact of mergers and take-overs, the financial performance of the principal companies.

WORLD TRADE Recent trends and the likely pattern of world trade over the next decade.

THE CUSTOMERS TECHNICAL DEVELOPMENTS

INTERNATIONAL STANDARDISATION For further information and advertising rates please contact: Mark Clare, Financial Times, Bracken House, Cannon Street, London ECAP 4BY. Telephone: 01-248 8000 Ext 7188. Telex: 885033 FINTIM G.

FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

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THE MANAGEMENT PAGE

Is inflation accounting an academic confidence trick?

AS .WE stagger with eager anticipation into the 1980s, the Accounting Standards Committee is hard at work on yet another definitive system of accounting for inflation. The silly season of accountancy is upon us once again. And it brings with it a message of renewed hope and comfort to in-nocent sufferers from the affliction of a rapidly receding hairline: inflation accounting is a cure for haldnes.

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Carlotte Company

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ells

or account

Lag-

It is quite simpla really. During a period of rising prices, historical accounts become out of date and lose their significance. They fail to cure haldness. Adjusting them for inflation brings them no to date and restores their significance, thus curing the baldness.

It is true that nowhere in the long succession of professional recommendations. exposed drafts, accounting standards. and official reports is there actually any mention of cures for baldness. But this must surely be an oversight. For, in spite of the vast outpouring of literature on income measurement. and asset valuation, the implication that inflation adjusted accounts will restore the reliable measurement of husiness performance rests on no stricter logic than do any claims for hair restoratives.

sider to grasp before be can hope to follow the intricacies ing the flow of resources from of the great inflation account- acquisition to disposal in order ing controversy is that the to detect any misappropriation, few areas of British industry return on capital it may fairly

accountancy profession is divided into two tribes. The "backwoodsmen" are reactionaries with the irritating hablt of asking impertment questions like what are inflation adjusted accounts actually supposed to mean?". The "inflation accounting experts" are progressives who, by virtue of much sophisticated argument, have so far managed to avoid giving an

Perhaps they have good rea-son for keeping us all in the dark?

In the days before the leaders of the accountancy profession bad clambered aboard the academic bandwagon in aearcb modarn image, the limitations of conventional accounts even during a period of price stability were made absolutely clear. In recommendations issued in air restoratives. the 1950s, warning was given The essential fact for any ontwere useful as symbols for trac-

preted as measures of perform-It is a warning which perhaps

The conditions in which the accounting return is a reliable measure of the return on capital invested in a going concero are well known. Apart from coincidence, they are encountered only in the very special case of "perpetual repetition," where

the same transactions are repeated indefinitely at constant prices and where neither the asset nor the financial structure. ever varies. All accounting periods would be identical; avery subsequent period would be an exact replica of the previous one; and a lot of accountants and managers would he out

and managers that ia) change is regarded as a normal fact of husiness life Indeed, so unlikely is the perpetual repetition of identical transactions against an unchanging background that, in the general case, the accounting return can be defined as the of a bright new progressive return which managers expect not to achieve on their investora' capital.

> A torrent of titerature continues to pour forth devoted to the complications introduced by such problems as fixed asset depreciation, stock valuation, overhead cost allocation, business uncertainty, and, of course, rising prices. It is one of the

preaumahly, is what is meant by "the sccountant in a golden

What tends to be obscured not generally reliable, even their contribution is made. than cash, no expectations are unfulfilled, and there are no price changes of any kind. Except for coincidance, it is not an accurate measure of the return on capital invested in a going concern—unless precisely the same volume of business is repeated in every subsequent period and precisely the same cash aurplus is distributed to investors

For periods of ahove average activity, the accounling return too high. For periods of f a job. helow average activity. the Fortunately (for accountants accounting return is too low. In academic circles, this phenomenon is known as "the account- are not. ant's contribution to the trade cycle," and it is usually associated with the holding of stocks during a period of changing prices. But that rather confuses the issue. The phenomenon can also occur when no stocks are held and all prices are stable. What is worse, the accounting

return tends to under-rate expanding firms likely to bene-fit the economy, and to overrate those which are in decline. The volume of husiness certainly needs reporting, but it should he reflected in the figure of turnover, not in the

activity make a greater contri- adjustment." The resulting UCA remade information on the return revenue collected by central bution to the return on capital return is not more accurate as made available on the return revenue collected by central being achieved on its resources. Government. It could well be than do periods of low activity, a measure of the return on but that is no reason for mis- capital which is actually That is so, whether manage that the hidden subsidisation of is that the accounting return is reporting the return to which expected. At hest, it is simply ment is in the hands of private the private sector was far

The snag, of course, is that an accurate measure of the return on capital invested in a going concern requires perfect foresight in predicting the future course of husiness. Yet, if the accounting returo is employed in this role, then (even where derived exclusively from completed cash transactions) it is under a similar handicap. As with perfect foreight, it depends on the same old perpetual assumption. The only difference is that, whereas the return on capital is based on events which are expected to occur, the accounting return is normally hazed on events which

Eyes shut

The inflation accounting experts are therefore quite right when they claim that adjusting accounts for inflation will restore their lost significance. What they omit to mention is that the restored significance includea unreliability as a measure of business perform-

The latest authorised version Current Cost Acounting in ED24 for example, incorporates several refinements including a monetary working capital

a closer approximation (subject individuals, public companies, to a host of reservations) to the real return which would he expected from the indefinite repetition of the current period's transactions. existing asset structure (including the composition of the

ing financial structure (including the gearing ratio) were never changed. In normal circumstances, screpted as a fact of husiness the inflation adjusted rn, like its historical return. counterpart during a period of price stability is an approxima-

expected to be achieved.

working capital) and the exist-

Accountants are well aware entirely justified. It is not that adjusting accounts for inflation standard of comparison but not cannot restore to them a signifi- to the actual return itself.

the community in the conduct losses of British industry and

expertise.

heing achieved on its resourcea. state corporations, or workers' co-operatives. (Adam Smith and Karl Marx would have been equally insistent.) It is part of the accumtant's social responsibility to see that the appropriate information ia forthcoming. In its capacity as the hypo-

thetical return, if current activities and current conditions were maintained indefinitely. the accounting return could have a useful role as a standard for comparison with the return calculated on the basis of the activities and conditions actually expected. Any divergence tion to the return which is not between the two would give some indication of the extent of all this and that is wby the were expected to change. The lahel "confidence trick" seems inflation adjusted return would inflation adjusted return would the inflation accounting experts spective—as a closer approximate failed to appreciate that ation to the bypothetical

ance which they never had in During a period of "stag-the first place—but that they flation," it is likely that the know nnly too well. The real CCA return would be consider-During a period of "stagindictment is that they have ably higher than the actually deliherately chosen to sbut their expected return. In the absence eyes to facts which might inter- of relevant accounting informfere with the practice of their ation, an assessment is difficult to make. But it is probable that It is of vital importance to by the end of 1976 the annual

they ahould not be misinter—that is actually thriving. This, be argued that periods of high adjustment," and a "gearing of its economic activity that commerce were running comprehed as measures of perform—presumably, is what is meant activity make a greater contri-adjustment." The resulting CCA reliable information should be fortably ahead of the total tax greater than the open subsidisation of the public sector. Yet the accountancy profession, largely in response to the clamour from its academic wing seems committed to the type of accounting reform which, instead of hringing such facts dramatically to the attention of the general public, is designed to cover them up.

Thanks to the accounting experts, the profession is persisting with a system for disclosing the return not expected to be achieved on the basis of decisions not expected to be taken in conditiona not expected to be experienced. And the inflation accounting experts are very well aware of it. ..

Section 17 of the Theft Act. 1968, makes interesting reading: Where a person disbonestly, with a view to gain for himself or another . . , in furnishing information for any purpose produces . . . any account . . . which to his knowledge is or may be misleading, false or deceptive in s material particular; he shall, on conviction on indictment be liable to im-prisonment for a term not exceeding seven years."

It could give the "sabhatical" an entirely new meaning. Mr. Royman is a chartered

BUSINESS PROBLEMS

Removing a tenant

Nine years ago I allowed X to use a self contained part of business premises I own, without a lease, and by word of I am a partner in a firm of Could you please let me know month, while he looked for stockbrokers and in the past what in fact constitutes trading more suitable premises. No rent financial year I have made pro- profits rather than capital gains now want: to sell the whole £4,000; to give a total capital inland Revenue will treat my building with vacant pussession. gain of £8,000 on turnover of profits?

It may well be the case that X the majority of which were has a business tenancy pro- "closing" deals, i.e. in the has a business tenancy pro- "closing" deals, Le. in the tected under Part II of the account. As a partner, I am Landlord and Tenant, Act 1954 allowed to deal free of commis-If he did pay rent for the first sion. If commission had been should be most surprised if six or seven years and used the paid the profit would have been your inspector decided to assess premises for the purpose of a around £1,500 to £2,000. My business carried on there by firm's accountant has informed him. If so it would be wise to me that there is a possibility

the case that neither the vendor class me as a trader, i.e., tha nor the purchaser can get X out. profits will be treated as income on taxation devote many pages

Trading

has been paid for two years. I fits of £12,000 and losses of How can I, or the buyer, get X £450,000. This has been made in a total of 150 transactions,

normal 30 per cent. However, clients and two of these have said that this is very unlikely, profits, and bow you believe the

accountants, that is we agree that there is a possibility but we agree that it is very unlikely. On the bare facts given we

in stocks and shares. him. If so it would be wise to me that there is a possibility. There is no short answer to consult a solicitor, as it may be that the Inland Revenue may the question "What constitutes

trading:?" the atandard works and subject to correspondingly to a discussion of this basic higher rates of tax than the point,

BY OUR LEGAL STAFF

Home-made lease

I want to renew the lease of tenant of a shop I own and I understand that unless the tenani requests it, the lease need not be stamped. Is there any thing to prevent me from typing the lease myself with the relevant points amended and so saving myself consider-able solicitor's fees?

You can certainly type the lease yourself; but it must be stamped. Your copy, (the counter part) will only require a 50p stamp, but the tenants will require stamping according to the term and the rental

No legal - responsibility can be accepted by the Financial Times for the answers given in these

Helping to win the Brussels lottery

"APPLICATIONS FOR grants munity Mrs. Thatcher's hrink-eligible for assistance, such as from the EEC are a lottery. manship clearly failed: at the the Social Fund for retraining The important thing is to make hrink all that was offered was or the creation of new employsure they are technically a rebate of £350m. correct so they don't fall down hefore they even get there." ing a "hroad halance," trying so says Michael Fleury, one of to get more out of the EEC. the founders of Eurogrants, a rather than just concentrating consultancy which specialises In helping companies get grants from Brussels.

With the exception of the largest companies. Fleury reckons many UK managements diplomatic campaign through-don't know their way around out the EEC capitals. EEC corridors, don't know how to make applications, and often don't even know what grants they are eligible for.

consultancy promoting its own skills at raising EEC finance is going to doubt the ability of ticularly topical notion.

Since the dehacle of the Duhlin EEC summit in Decem-her, the British Government has changed the way it is going

The Government is now seek-

on putting less in. To this end Sir Ian Gilmour, deputy Foreign Secretary, and Sir Geoffrey Howe, Chancellor of the Exchequer have launched a

Bureaucratic

While it is inevitable that a companies face when seeking finance from the European community, Fleury believes the three main ones are, what to companies to do it for them-ask for: who to ask: and how selves, it is certainly a par-actually to ask for it (how, in other words, to provide the sort adviser to the UK delegation to of information needed by the the EEC on the FEOGA schemes hureaucratic mind),

by post or soon as about trying to reduce Britain's track and not look at other to the Ministry of Agriculture. teac which might

ment; both of which might apply in a new project. "Don't forget the Social Fund is much bigger than the Agricultural

Though it was only set up in June last year, Eurogrants Is hoping to sell itself on its ability to present applications to the EEC. Its point is that once you have discovered what you are eligible for, and whom to ask, the application is crucial. "Bureaucrats, wherever they are can't show a favour, they can only process an application ... we want to give the application the hest chance."

Fleury claims to be more famillar than most with the machinery of the EEC. So he should be, as former technical (European Agricultural Guid-On the first, he says that ance and Guarantee Fund), and companies lend to go down one as a senior accountant adviser 930 9311.

and maximum charging system successful in helping a company raise finance. It charges £250 to make an assessment and provide an action plan. There is a time charge for work on the application and an agreed fee If the application is successful,

Eurogrants claims it bas already helped a major food manufacturer get a £650,000 grant lowards a £6m capital project for process plant. In another case, a small company in North Wales thought it was inellgible for a grant because of lts size, hut was found to be eligible under the rules of the Regional Development Fund. However, it would be prema-

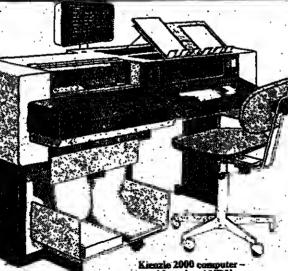
ture to pass any judgment on Eurogrants' ability to deliver what it promises, hut it would towards increasing the professionalism of British approaches to the EEC.

Eurogrants is ot 87 Jermun Street, London, SW1. Tel: '01-

Jason Crisp

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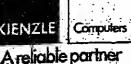
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the right to the cash value of bood is a claim either to a per-

petual income, or to an income for a fixed term followed by redemption at par. It is because

The Albert Hall funding system

BY ANTHONY HARRIS

the many others, including my-self, who have urged the sale of real value securities instead

of high-coupon long-term debt.

Yet it could also be acceptable to the equal number of hankers.

brokers and Treasury officials

who are ready to lay their dead

bodies in the path of any such

The forward sale of goods and

services has a long history of

the utmost respectability. Covent Garden does it, and in-

deed, one of the owners of a block of seats is the Old Lady

of Threadneedle Street herself.

.The right to join in a draw for the seats is one of the notable

fringe benefits offered to senior

recruits; so if anyone in the

Bank wants to object to what

follows. I challenge him to give his seat to me. I could do with

it. Similar forward sales were

used to finance the Albert Hall,

and you can't get more respect-

All I am suggesting is that

able than that.

Respectable

specials). And thereby hangs much of the tale of doubt and PEOPLE who like to wrestle with chess problems and cross-words, as I do, must be long ohjection. Indexed capital horrifies the Treasury because familiar with the feeling that the solution, when it emerges, is either you have to tax the something you had already "gain" due to indexation, "gain" due to indexation, which is by definition no gain thought of, without seeing why it was the answer; and I would in real terms, and so open the like to draw attention to one door to general indexation of already-found solution, capital taxes or you have to give which was indeed invented by official borrowers a tax privilege the present Government for a which would lay the corporate very limited purpose. It is the sector flat.

ldea hehind the forward sale of BNOC oil, and it could solve some of the funding problem.

This, it seems to me, is a formula which could meet the it is simply a handy way of demand of those like Mr. wilkie, of Standard Life, and the many others including my.

Whet we are discussing, then is either a long-term forward contract, or an annuity defined in terms of some real commodity or service. There is no redemption problem, hecause there is no redemption. Trade in such snnuities would be unlikely to yield any very spectacular capital gains, unless the annuities were of very long term, because an annuity is a wasting asset. The income, if paid in money, could be taxed like any other income. Treasury, in short, would have

little to worry ebout. Once the principle is admitted, two quite different possibilities open up. One, for the man-inthe street, and especially for the retired, would be the sale of services actually used. The railways could sell season tickets not for a month or a year, bot for five or ten years. The electricity services could sell so many kilowatts annually, the telephone people so many units, and so on.

Cash limits

the principle hecomes capable Of course, such forward sales of wide application with one would have to come within cash simple modification : public bodies should sell forward either limits, because the money intheir products or services, or vested would be lost to other securities; but 1 would take a them. And if you think that large bet that nationalised inthat is just an indexed bond in dustries and services would find fancy dress, read on.

The point is simply this. A some of their capital in this way than on Treasury termsespecially those trying to finance long, slow-paying projects like nuclear power stations or redemption is at par that there advanced passenger trains. And can be an arguable case for as for permission, this is only exempting gilts from capital an extension of what BNOC has gains tax, since it all comes out already been instructed to do.

Plants for all seasons by the pond

SOMETIMES YOU must wonder if gardeners know what plants really like. They have such clear preferences when you read about them in lists. Shade here, lime there, three-and-a-half part of lasf mould to two of sand.

Recipes, simpler than 50 years ago, though I know several gardeners who were not surprised to bear that the queen of cookery, Constance Spry, was also a great lady for flowers. They assumed that mixing a compost came as easily to her as mixing a cake.

In fact, those old recipes were too subtle. The ona difference to be observed is the presence or ebsence of lime in the soil. You cannot miss this. If you put a lime-hating plant on a lime soil, it will turn yellow and shed its leaves.

Yoo can treat it with chemicals, of course, but that is another topic. At their extremes, sum and shade are equally ohvious. A felted shruh from a Balkan hillside will not be at home heside a pond in the Home Counties. But when you draw nearer to the line, sun and shade, wet and dry become confused. A reader has just taken me to task for telling yon that the pink bark of the Japanese maple, Acer Senraki, is happier in a damp and sheltered place on acid soil.

He has one growing like an elder bush, but it stands in deep chalk on an open site which is not unduly wet.

I have to helieve him. Until you try these marginal plauts in unlikely places, you never know the full range which they will tolerate. They have e reputation for this or that, usually a helicipath

usually a half-truth. Reversing my reader's discovery, I remember the days when I was taught that the lovely Cape Lily would only grow in a warm, south-facing hed. True, these crimum bulbs were often at ease there. But they had their competitors for this precious space, and many gardeners felt that their great clumps of strapping leaves and late heads of trumpet-shaped pink and white flowers were not worth the best room in the

"They produce ampla foliage," I quote at random from an old authority, "and are far too big for small gardens." It took me years to learn to disagree.

Even for these authorities, there was a hint of a further truth. As the buds formed, the crinum seemed to like to be watered heavily. In fact, it will stand happily in very wet sites throughout the year. This is invaluable.

In South Africa, the species forms are reported to grow by the edges of ponds and lakes. In Europe the best value is the hybrid sold here as powellii. It is coloured pink or white. Off one bulb, you can expect eight flowers to a thick stem, some three to four feet high. If you do not know them, imagine an indoor Amaryllis and reason **GARDENS TODAY** BY ROBIN LANE FOX



Crinum powellii: eight flowers from one bulb.

from that to a pale pink variety exposed site. But in a sunny outdoors. If you do not even know the Amaryllis, picture an open furnel or trumpet as the flower, set round the top of a thick stem. The leaves are a thick arching clump and the general effect is architectural. Put it beside a pend or in a sodden bed which still receives full sun. There, there are fewer competitors. I bave long wished for something bolder than the

bog, it is superb. I have never seen better than along an Oxfordshire stream and below the walls of the nearby rectory which stood on a water-bed. in the house. But in August, it was almost worth it for the thick beds of crinum. Order

your bulbs now at anything from 75p each upwards. They are as big as a croquet ball. You should plant them in vulgar spirata and less temball. You should plant them in peramental than the half-hardy spring about 2 ft apart. It is blood-red lobelia. The crimum important to dig out a deep

the bulb is buried up to the indoors at this time of year. neck. In a water garden, this is easily done.

Like this wet bed of crimums, a long border of the familiar mahonia often springs to my mind. Its home was in Ireland, where it was well contrasted with the enormous leaves of the st bergenia, the true Bellawley

This bergema has none of the dreary gloss which settles on the dark green leaves of the less desirable sorts. When happy, its leaves are as lush as an ever-green cabbage. They colour quickly in autumn and remain nearer the lime green end of the scale. Often, I have wanted to repeat this simple combination round the foot of a low English house, whose owner wanted solidity without bother.

If you fancy it, be-sure to mass the two plants in generous groups. Do not break them up into ones and twos or confuse their contrasting leaves with too many featureless The mahonia is long leaved.

thin and prickly. The bergenia is soft, round and hish. But both were at their best in Ireland because they were thoroughly wet. We all use the winter flowering You could smell damp fungus mahonia Japonica wherever an

evergreen shrub of a pretty shape is convenient. It is so reliable that it ends up in odd corners or beneath shady walls. The foot of a wall is often the driest and poorest place in the garden. But the mahonia still has those exquisite sprays of bleod-red lobelia. The crimum important to dig out a deep yellow flowers whose scent of is not e plant for a cold or hole, e foot deep or so, so that lily-of-the-valley is such a joy

Put it in a damp place and will also amaze you by the bealth and richness of its leaves. I have seen it well massed round a pond in a Gloucestershire wild garden when it had none of that dah and winter green to the lest

Like the bergenia, it was shading into red and lime green. a far more remarkable plant. Yet books on water-gurden ovarioek it. I suspect that it would thrive among big, leaved rougersias, those princely plants whose rounded leaves would contrast well with mahania. Indeed, a bed of crimums maxed with mahonia, in a damp, but sunny place, would be an idea worth anyone's trouble.

So often, I have to say of this or that plant that it likes sun or damp shade, whereas the answer, I feel sure, is that its tastes are all variable with its country and local climate. In Scotland, after all, the category of hog-plant is not distinct from everyday border-plant. If you have well-attested plants which break the rule book, I im always glad to hear of them. It cannot quite believe the company salesman who wrote to say that he thought he had Azelea Palestrina growing freely on lime soil.

A good salesman, perhaps will always ignore his product's limitations. His garden turned out to include a deep seam of greensand. But in the matter of wet and dry, especially, there is still much more to be made

THEATRES

WYRDHAMS. 836 3028. CC bless. 379 6565. Evgs. 8.0 Royal Shakempeare Con-puty in PLAF Pam Genry play, with going about the topendary Ptan.

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for details of dayling children's
THE ANCIENT MARINER.

Three course winners clash

COURSE WINNERS Crown fences from bome in Ayr's Court, Caravino and Temple Rise are due to line up for this afternoon's Duns Handicap Chase at Kelso, where the fiverunner field is made up of recent winners in Border Brig and Foreign Field.

My idea of the likely outcome is a victory for either Foreign Field or Temple Rise. The 10-

> RACING BY DOMINIC WIGAN

year-old Foreign Field whose trainer. Ken Oliver, became the first Scottish-based handler to land a "Trainer of the Month" award with his December soccess put up by far his hest display of the campaign last time out time out.

Hamilton-Campbell Challenge Cup, Foreign Field was momen tarily beaded by Weather All on the run-in before regaining the advantage.

At the line, Foreign Field had three-quarters of a length to spare over Weather All to whom he was conceding 4 lbs, with Border Brig-attempting to give the winner the same weight-another two lengths

away in third place.

Temple Rise, the veteran of the field at 11 years of age, has made just two appearances this season. However, he showed on his most recent outing that a return to form could be imminent, and with the ground likely to be testing his chances must be respected off bottom weight of 10 st. In what may well develop Sent into the lead three into a closely fought finish

10.30 pm Best Sellers (con-

11.15 Paul Anka . . . Music My

12.15 am Close: Personal choice 8.00

Foreign Field-bidding to concede 6 lbs to Temple Rise-is just preferred.

Arthur Stephenson, who now bas so many inmates of his stable running in his own colours, will be hoping that Kasmoun can repeat a recent course success through victory in the opener. Division I of the Goldstream Novices Hurdle.

Kasmoun, on whom there was something of a gamble there; the four-year-old being backed from 5-2 to a return of 13-8, can follow up by ontclassing the recent Sedgefield third,

KELSO.

12.45-Kasmoun 1.15-Foreign Field 1.45-Autumn Glow

Family, 5.16 Carbontimas: 5.20 Cross-roads, 6.00 Report, West, 8.30 Three Little Words, 11.15 Colebrity Concert-Diehann Carroll,
HTV Cymru/Wales—As HTV General

Service except: 1,20 pm Penawdae Newyddion Y Cydd, 1,25-1,30 Report Wales Headlines, 4,45-5,15 NI A Nhw.

SCOTTISH ..

1.20 pm News and Roed and Weather. 2.45 The New Avengers. 5.15 Certoon. 5.20 Crossroeds. 8.00 Scotland Today. 6.30 Emmerdale Farm. 11.15 Lets Call. 11.20 The Butlin's Grand Masters Certas Chempionships.

SOUTHERN

1.20 pm Southern Nowo. 2.45 House-party. 3.15 Money-Go-Roend. 5.15 Oick Tracy Certodn. 5.20 Crossroads. 8.00 Oey By Oey. 6.35 Scene Midweek (South East area anly). 11.15 Sauthern Nowa Extre. 11.20 Femily.

2.15—Selo Sam 2.45—Rathdale*

3.15-Marnik***

AMERICA THE COUNTY OF T

TYNE TEES
9.20 am The Good Word followed by North East News Headlines. 1.20 pm North East News and Where The Jobs Are. 2.45 Lat The Music Take Year. 2.15 Manay-Go-Raund. 6.00 North East News Headlines. 6.02 Crossroeds. 6.25 Northera Life. 11.15 North East News Headlines. 11.17 Police Woman. 12.17 am Epilogue.

WESTWARD 12.27 pm Gee Homeybun's Birthdays.
1.20 Wastward News Haudlines. 2.45
The Electric Theatre Show. 3.15 MoneyGe-Round. 6.00 Wastward Olary. 10.28
Westward Late News. 11.15 George

THEATRES

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ROYAL PESTIVAL HALL 01-928 \$101. Today 3 & 7.30 Lest Two Peris LDNDON PESTIVAL BALLET IN SPECIACIAN SYNCH Of Tcharkovsky's The NUTCRACKER Today: Hall, Ben vao Causenbergi, Long, Today: Hall, Ben Vao Causenbergi, Long,

THEATRES

ALBERY. S. From 9 am. 836 3874. Credit cards 379 8865. Groom sales 379 8061. Evgs. 7.45. Thurs: and Sat. 4.30 8. 0. OLIVER! GEORGE LAYTON. HELEN SHAPIRO. CHILD Fixed ADULT valid 16 vrs or under 6 at time of purchase.

1.20 pm Lunchtimo. 2.45 Monoy-Go-Roend. 3.15 How's Your Father? 4.13 Ulster News Headlines. 5.15 Cartton Time. 5.20 Crostreads. 6.00 Good Evening Ulster. 10.23 Ulster Weather. 11.15 Soap. 11.45 In Search Of . . . 12.10 am Bedtime.

Westward Late News. 11.15 George Hamilton IV. 11.40. Faith For Life 11.45. West Coentry Weather and Bhipping Forecast.

YORKSHIRE 1.20 pm Calender News. 2.45 Three Little Words. 3.15 Money-Go-Round. 5.00 Calender (Emley Moor and Bal-mont editions). 11.16 News Girls, Will Travel. 12.15-am Barney Miller.

F.T. CROSSWORD PUZZLE No. 4,175

1 Cite this incorrectly for a moralist (S) 5 Turn south-east and fish from slope (6) 10 Blood around pole in shruh

gold? (9) 12 Fat member of shooting-13 Place for tailless insect (5) to he dry (6)

18 Revealed in the open air (7) 20 Harm Mother courage at the end (6) 22 Cavity wherein there's moral offence to you and me (5) 24 Criticism exactly observed

25 A French-name a confused soul makes irregular (9) 26 Coldhouse arranged in hig loop (5) 27 Small-minded about ringleader being beautiful (6) 28 Hybrid deer even disguised

in front of river (9)

·· - DOWN 1 Reserve is to enter ioto contest (6) Crop to thrasb (9) 3 Secret satins are, or could

SIOMEBODY MRETCH I A O R O O E THROWNUP SCORES S C E B L K S II OTHER BRANCHOUT N W E I A A BI ASED RAKESIN with superficial refinement SOLDERNITERATED

Solution to Puzzle No. 4,174

6.20 Nationwide. 6.55 Women in White. 8.25 The Two Ronnies. 9.00 News. 9.25 War School.

Wales—11.02-11.22 am 1 Ysgo-lion. 5.10-5.40 pm Bilidowcar. 5.55-6.20 Wales Today. 6.55 Heddiw. 7.20 Tom and Jerry. 7.35-8.25 The Rockford Files. 12.12 am News and Weather for

Scotland—12.40-12.45 pm The Scotlish News. 5.55-6.20 Report-

South East only).

12.12 am Weather / Regional News.
All Regions as BBC-1 except as South West (Plymouth).

Points West (Bristol); South Today (Southampton); Spotlight South West (Plymouth).

11.10 News Headlines. 11.12 Michael Parkinson. 9.05 am For Schools, Colleges. 11.25 You and Me. 11.40 For Schools, Colleges. 12.45 pm News. L00 Pebble Mill at One. 1.45 Playboard. 2.01 For Schools, Colleges. 3.25 Children's Ward-robe. 3.53 Regional News for follows:-Eogland (except London). 3.55 Play School (as BBC-2 11.00 am). 4.20 Pixie and Dixie. 4.25 Jack-anory. 4.40 Take Hart. 5.00 John Craven's Newsround. 5.10 Our John Wille.

in the wash (except for surtax So what about it?

5.55 Nationwide (Loodon and ing Scotland, 12.12 am News and Weather for Scotland.
Northern Ireland—3,523,55 pm Northern Ireland News, 5.55-6.20 Scene around Six, 12.12 am News

and Weather for Northern East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham)

BBC 2

10.20 am Gharhar. 11.00 Play School. †5.35 Flasb Gordon Conquers The Universe. 5.55 Pride And Prejudice.

6.50 Tha Master Game. 7.20 Mid-Evening News. Mr. Smith's Indoor Gar-7.55 Arena.

8.30 Midweek Musical: "Good-bye Mr. Chips," starring Peter O'Toole and Petula Clark. 10.50 Late News. 11.05 Hollywood and Vine.

LONDON .

9.30 am Schools Programmes. 12.00 The Adventures of Ruper Bear. 12.10 pm Rainbow. 12.30 The Sullivans. 1.00 News, plus FT Index. 1.20 Thames News. 1.30 Crown Court. 2.00 After noon plus. 2.45 The Outsiders. 3.45 Hohson's Choice. 4.15 The Sooty Show. 4.45 The Book Tower. 5.15 Mr. and Mrs. 5.45 News.

6.00 Thames News. 6.25 Help!

7.00 This Is Your Life. 7.30 Coronation Street. 8.00 London Night Out.

9.00 Best Seliers: "Flesh and

Radio Wavelengths

6.35 Crossroads.

RADIO 1

RADIO 2

S.00 am News Bummery. 5.03
Cricket: England v West Indias. 5.04
Steve Jones (\$) incleding 5.03, 7.08
Cricket. B.15 Pause for Thought. 7.22
Terry Wogan (\$) incleding 8.03.
Cricket. 8.15 Pause for Thought. 7.22
Terry Wogan (\$) incleding 8.03
Cricket. 8.27 Recing Sulfactin and 8.45
Pause for Thought. 10.03 Jimmy Young
(B). 12.75 pm Waggoners' Wnik. 12.30
Pem Merray'e Opan Hoese (\$). 2.15
Ray Moore (\$). 4.15 Mech More
Mesic (\$), 5.00 Naws. 5.05
Waggoners' Wolk. 5.20 John Ounn (\$).
6.45 Sports Desk. 7.02 The Organist
Emertaine (\$), 7.30 Listen To The
Bond (\$) (continued on vhf). 6.00
Soccer Speciel. 9.30 Joe Lose (\$)
(joino vhf). 2.55 Sports Oesk. 10.02
Stop The World . 10.30 Olck Emery

The state of the second of the

with Rosalie Crutchley All IBA Regions as London except at the following times:-ANGLIA 1.25 pm Anglie News. 2.45 House-party. 3.15 Monoy-Go-Round. 6.00 About Anglie. 11.15 Celebrity Concart with Neil Sedeke. 12.10 am The Big

ATV
12.30 pm Heritoge In Oenger. 1.20
ATV Newsdesk. 2.45 Femily. 6.00 ATV
Today. 11.18 ATV Newsdesk. 11.20
The Bottle's Grand Mastern Oerts
Championship.

Blood."

BORDER 1.20 pm Bordor News. 2.45 Hoese-party. 3.15 Manay-Go-Raund... 5.15 Jebberjaw. 6.00 Lookaround Wednes-day. 11.15 Sidestreet. 12.15 am Border CHANNEL

1.20 pm Chonnel Lunchtime News, What's On Where and Weather. 2.45 The Electric Theatre Show. 3.15 Money-Go-Round. 6.90 Chonnel News. 6.10 Link Up. 10.28 Chennel Late News. 11.15 George Hamilton IV. 11.40 Epilogee followed by News and Woether in French. GRAMPIAN

9.25 am First Thing. 1.20 pm North News Headlines. 2.45 House Party. 3.15 Money-Go-Roond. 6.00 North Tonight and Area Weather Forecast. 11.15 Trople. 11.45 Reflections. 11.50 Living and Grawing For Adults. 12.20 am North Late Night Headlines. GRANADA 1.20 pm Granada Reports. 2.00 Live From Two. 2.45 Money-Go-Round. 3.15 The Wild, Wild World al Animaia. 5.10 This is Yaur Right. 5.15 Cross-roads. 6.00 Granada Reports. 6.30 Rappy Onys. 11.15 Tropic. 11.45

HTV

Capital Radio: 1548kHz, 194m & 95.8vhf

. 6.56 am Wasther, 7.00 News, 7.05 Yeur Midweek Choice, part 1 (B), 8.00 News, 6.05 Your Midweek Choice, part 2 (B), 8.00 News, 9.05 This Week's Composer: Gjuck (S), 10.00 Music For Organ (S), 10.35 Bander Begh violin recital (S), 11.45 BBC Weinh Symphany Orchestrn (S), 1.00 pm News, 1.05 Concert Hall (S), 2.00 Music Weekly (B), 2.50 All Across Tha USA (S), 3.30 Fifty Yeam Of

Oozen. 12.00 News. 12.02 pm You and Yaum, 12.27 Double Act. 12.55 Westher; programme news. 1.00 The Warld At One. 1.40 The Archers. 1.55 Shipping Forscert. 2.00 News. 2.02 Wamen's Hour. 3.00 News. 8.02 Listen With Mother. 3.15 Aftermoon Theotre (8). 4.00 Choral Evensong (3). 4.45 Short Story. 5.00 PM News mngazine. 5.56 Shipping larecest. 5.55 Westher; programme news. 6.00 News. 7.05 The Archers. 7.20 Checkpoint. 7.45 On The Town in Bristol. 3.30 A Sideways Look At . 3.45 Analysis. 8.30 Kelaidoscope. 9.59 Westher. 70.00 The Warld Tonight. 10.30 Give Or Taka (8). 11.00 A Book At Beddime. 11.15 The Finnneial World Tenight. 11.30 Today in Parlioment. 12.00 News. says Be My Guest, 11.02 Brian Matthew with Raund Midnight, includ-ing 12.00 News. 2,02-5,00 You end the Night and the Muelc (B).

BBC Radio London

London Broadcasting

pm News. 1.06 Concert Hell (S). 2.08 Music Weekly (B). 2.50 All Across The USA (S). 3.30 Fifty Yeam Of British Music (S). 4.00 Salzburg Featival 1979 (B). 4.55 News. 5.00 Mainly For Pleasure (S). 7.00 Music News: Dance Umbrelle 1980 Bhowcass. 7.45 Scottloh Notional Orchestra, part 1: Panufnik, Maxwell, Davies (B). 8.30 Six Continents. 8.45 Scottlah National Orchestra, part 2: Tippett (6). 9.20 Tho Plagua Column: poem cycle by Jarostev Seifart. 19.00 Redolf Frikeeny pinne recital (S). 10.45 Guerneri String Quarter (S). 11.55-12.00 News. Capital Radio

8.00 am Graham Dene's Breatfost
Show (S). 9.00 Michael Aspel (S).
12.00 Mika Allen (S). 3.00 pm Roger
Scott (B). 7.00 London Today (B).
7.30 Adrion Love's Open Una (S).
9.00 Micky Harne'o Yoar Mother
Wouldn't Like It (S). 11.00 Tony
Mystt's Lata Show (S). 2.00 am
Ouncan Johnson's Might Flight (S). 6.00 am News Briefing. 6.10 Farming Today. 6.25 Shipping Forecast. 6.30 Today. 8.35 Yasterdey In Parliament. 8.00 News. 9.05 Mid-Week With Russell Harty. 10,00 News. 10.05 Gerdaners' Question Time. 10.30 Delly Service. 10.45 The Bridge of San Lale Rey. 11.00 News. 11.05 Beker's

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Michael Frays.

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4 Insult about early starter being cunning (7) 6 Shaping can I melt to produce paper-fastener (8-7) 7 Fantastic losing fast trick 8 Fish a location with hanger 11 Dentist required to pull out OII (8) 9 Expiator religious leader (6) \$ Medium Wave \$.00 am As Radie 2. 6.00 Dave Lee Travie. 9.00 Simon Bates, 11.37 Paul Burnett. 2.00 pm Andy Paebles. 4.31 Kid Jansen. 7.00 Radio 1 Malibag. 6.00 Mika Raad. 9.50 Newabest. 10.00 John Pael (S]. 12.00-5.00 am As Radio 2. VHF Radioe 1 and 2: \$.00 am With Radio 2. 8.00 pm Listen Te The Band (S) (continued from Radia 2 7.30 pm). 6.15 The Magic of the Austicala (S). 9.02 Jaa Loss celabrates 50 years as a sandleader (B). 9.55 With Radio 2. 10.00 With Radio 1. 12.00-5.00 am With Radio 2. party needs lubricator (6-3) 16 Joker, as a physiotherapist Place for tailless insect (5) may be (3-6) 14 Desire for knowledga that's 17 Instrument religious type 15 Arena leased by small circle 19 Tyrant some French pick 20 Partially endures sentence and imprisonment (7) 21 Tape soldiers on line (6) Snare duck with heak outside (5)

THE ARTS

Silent movies and the secret service

by CHRIS DUNKLEY

have either entertaining proformative nnes. My own pre-ference has always been for those which master the difficult trick of heing all three, so it but twe series in the new season's schedules which manage it.

Hellywood is Thames Television's 13-part story of the silent movies. The great danger with this series was that, after all the talk about it within the industry fir what seemed like, to say so (actually it is mostly and probably was, years, too such would be expected from parts that every subsequent it. It comes, after all, from the same stable as The World At War, and its preduction team reads a hit like a TV talent spotter's Who's Whe, from executive producer Mike Wooller and special consultant learner Issaes (Hursd more) Jeremy Isaacs (tipped more nften than anyone fer the controllership of Channel 4) on the nates and counterpoints archive one hand, to composer Carl. Davis and ace film researcher Raye Farr on the other. Furthermere, it had te stand comparisen with the much-praised hook which inspired the whele thing. The Parade's Gone By. written by Kevin Brownlow. who with David Gill has now written, produced, and directed the television series.

So there is a measure of relief blended with the pleasure at very movies concerned. discovering—on the evidence of Yet the series is ne fond trip It is a measure of the power the first twe episodes hroadcast, down memery lane, nor an indule of the silents, hewever, and

THEATRES

GALLERES

The assumption underlying a The Pioneers and In The gent collection of the best hits of ironically a tribute to the BBC's ing off evil geniuses and very large proportion of tele- Beginning and a preview of the most famous movies as it so borrowed reprocessing tech-Hazard Of The Game—that the grammes or intelligent and in-series is, indeed, as assidumusly researched as The World At War, made with a similar dedication to technical standards in the all-important film is pleasant to discover not one, extracts, just as much of an eve-opener on a subject which many of us thought we already knew a let about, and hest of all perhaps "entertaining" in a way that tha mere sober subject ef war could never he.

> Though it may seem arrogant to say so (actually it is mostly parts that every subsequent episode is going to be worth a critic's attentien. Hellywood has proved to he ene ef these few: every episede will be switched en as much for persenal pleasure as for professienal reasons

> Like World At War, it altermaterial with specially shet interviews so that-for instance -fnotage of the teenage Gish sisters in a 1912 Griffith mevie is premptly fellowed by Lillian Gish reminiscing today, thus telescoping the entire history ef the industry. Similarly, in the stunt men episode Harvey Parry's descriptions ef insane tricks with cars in the early days ara illustrated with the

fameus products.

Of ceursa the series is net perfect. The subject does not split naturally into 13 equal-sized packages, though scheduling dictates that this be done.

Despite having been raised at the Natienal Film Theatre and the Hampstead Everyman en a diet ef Griffith. Eisenstein, and consequently these whe happen te have sur-vived. Once again the mistake has been made of having the narrstien dene by a film star (James Masen who has done

mevies were not made for televisien: Griffith made Intolcrance for a large collection of strangers sitting in the dark in a public huilding dominated by larger-than-life figures on a big screen, not fer a small family group at home with the lights en and dominating smaller-thanlife figures on a small screen.

vision seems to he that you can Episode 5 about stant men, easily could have been. On the niques, that these movies still contrary, it seems dedicated to manage to enthrall even on revealing as many as possible television's little acreen. of the warts which were so often Extracts from *The Fire Brigode* hidden by the glossy image in Episoda 1 were positively Clips are sometimes so sternly gripping despite the extreme rationed that one longs for an melodrama. Moreover, that accompanying season of full movie more than any other so length silents. But as Episede 2 far has proved the truth of the proved last night, the story of series' claim that the jerky, Hollywood the place is in some scatchy, greyish ruhhish which respects as entertaining as its as often passed off as classic fameus products. silent cinema is a dreadful travesty of the true art.

Despite having been raised at

We de not necessarily see interviews with the most important expecting to he blaze about peeple in any field hut with almost anything this series might shew, I have to admit that it has already introduced ene large and mind-changing idea: that talkies with their language harriers were a retro-(James Masen who has done others, but practice has not made perfect) instead ef a preper narrator, such as—say—Paul Vaughan.

Most important of all, these meyics were not made for tale. theatre or talkies." It looks as though Hollywood may well achieve the impressive feat of proving that very large claim to

> The other series successfully combining entertainment, intelligence (in more senses than one) and informatien is Frank Cox's set of six "dramatised reconstructions" for BBC1 under the umbrella title Spy! The first episode on Sunday Jehn Vassall written by Ruth Carter, dealt with the notorious British Admiralty spy of the fifties. Next Sunday's, Camp 020, is cencerned with the much less fameus but presumahly far more important sctivities of MI5's wartime counter intelligence centre. Others look at KGB spies, Britain's Cynthia, who burgled the Vichy embassy in Washingten, the Nazi entrapment of two British spies in The Venle Incident, and the German Tekye Spy Ring, led by Richard Sorge.

The series has actually been vaiting a long time fer a place in the schedules hut, as luck would have it, now seems provi-dentially well timed with Tinker Tailor, Mr. Blunt, and Charlie Muffin all so recently high in public consciousness. And the sharpest point to have emerged snarpest point to have emerged from the three episodes I have seen—Vassall, Camp 020 and Tokyo Ring—is that real spies rarely behave like either of the two stereotype "special agents" se beloved of television: the scruffy, inverted snoh who hirks in alleys shoeting friend and foe alike and only looking after Number One; and the debonair playboy who jet-sets

egalitarian oiks. According to Spy! he is much more likely to resemble Mr.

Blunt, spending most of his life working away at a cover joh and rarely heing involved in anything more violent than a spot of homosexual blackmailon the receiving end in Vassall's case. The way that the sociable and modestly sybaritic Vassall was driven literally into the arms of the Russians hy the hostile snobhismess of the Navy and county types at the British emhassy in Moscow was one of the National Film Theatre and the two particolarly intriguing the Hampstead Everyman en a aspects of Episode 1. The ether was the Admiralty's hurgiary ef its own hulding to track down

its ewn mele.

The destruction of preconcep tien seems te he one of the series' mest striking characteris tics. I suspect that many viewers watching next Sunday's interrogatien, with its disorientation techniques, its menocled efficer strutting the mess in his jodhpurs, slapping his crop against his riding boots and knocking the prisoners aheut, wlll refuse to helieve that such a menster ever ran an English counter intelligence centre. Yet tien is broadly accurate (relying en the many well informed survivors to blow the whistle if

A different set of preconceptions is undermined in The Tokyo Ring, which shows the German Sorge spying on the Japanese and—partly hy casting the ultra-Engliah Richard Jehnson in the role which is, perhaps, not altogether fairmakes a pretty appealing character eut of him: lady killer, mad motorcycle rider, keen drinker, and reveller in his own audacieusness.

Te a quizzical eye it is fairly clear that ewing te the BBC's tight purse strings this series has net been made on the most suitable locations. Yet the substitutes are clever and credible. resulting in handsome looking programmes—particularly next week's which is fortunate enough to be set in southern England, mestly indeers, and carefully done right dewn te the war issue pencils.

After all the years of Callan and Bond and Musin and Whatnot it is refreshing to be given the much more far-fetched stories of real life.

Royal Court

The love of a Good Man

by B. A. YOUNG

wings," wrote Emerson; and Howard Barker's manner, he arranges an even mere elahhere is the phenomenon in vomits on the battlefield; but orate swindle ae that when the practice. Howard Barker has set then, anxious to prove to him- Prince chooses, hlindfold, with himself to make a cold, cynical self and to the world that in a pin, which hedy is te be sent assault on a dozen things that due course he is going to he a heme as the Unknewn Soldier, to most of the British have, goed king, he calls a soldier Mrs. Toynbee's son is chosen. even now, reserves of poetry, over to him and kneels hefore romance, even divinity. He has him to kiss his hand. set his play on Hill 60, a point on the map that in the first world war was the graveyard of thousands of the youth of England, hut he has set it in 1920, when the fighting is ever and the corpses lie rotting in the marshy soil waiting fer soldiers to come and dig them that the cemetery must be up again so that they may he ready by a certain date for the interred in an official war Prince of Wales to dedicate it,

have already seen active sermets, and falls in what he vice, there hovers a selection imagines to be love with, Mrs. of social vultures. The Prince Toynhee, intent on finding the ef Wales is the first of them. body of her son to smuggle it

"When me they fly, I am the In an epening characteristic of home for private burial, he

Wa next meet the contractor responsible for laying eut the cemetery. (I can't helieve that civilian contractors commanded soldiers as if they were officers, hut it's a small point.) This one, Mr. Hacker, is a thorough-geing villain. When he is told he conspires with Cleut, one of About the workers, them-selves long-service men who each grave. Later, when he have already seen active ser-meets, and falls in what he

(It's not her son, of course, it's the next body to turn np.)

We move to the climax of the ing bishep begins a sermon on "Why God likes pain" until the Prince's equerry shuts him up. After that—Mr. Barker, like Richard Strauss, is very slow at ending scenes—we have a scance at the scene of the dedication service; it serves no real purpose except to allow the auther to indicate vaguely what is to happens te his characters in the end, a purpose which by that time is net necessary fer we know them all tee well.

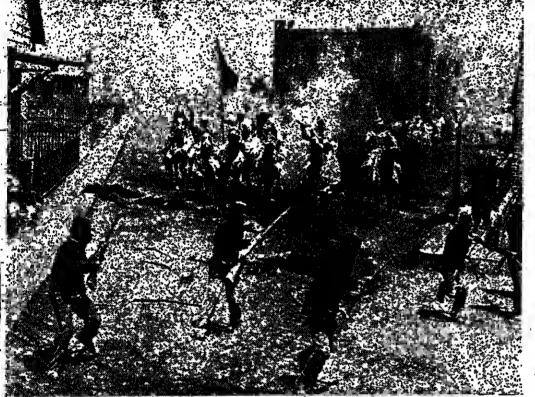
Mr. Barker'a weakness is that although he shoots down what he thinks ef as falsities with a true aim, he never, as far as I can see, effers us anything for our approval. There is not a character in this play who is anything hut a menster, with the pessible exception of Mrs. Toynhee's daughter Lalage, whe seems to he heading tewards the world of Bevanite socialism. Hacker and his confederate are swindlers; the Prince is a wet; Mrs. Teynhee stands fer the privilege of the rich; the Graves Cemmissioner has gone mad. The language of all of them is the language of an of them is straightforwardly selfish, and usually uncemmonly dirty.

And yet, and yet . . . "When me they fly, I am the wings."

With his single-minded attack.

on all that many of us find rom-antic and poetic, Mr. Barker has himself created a kind of peetry. a kind of anti-matter peetry that lies beyond the mere werds and theughts ef his writing. It isn't likely te he to everybody's taste; hut it has a curieus fascination. There is of course no suggestion of historic accuracy; the first werld war is already enly a legend to men of Mr. Barker's generation. The playing of the company

(who are their ewn manage-ment, like the Actors' Company) is outstandingly good notably that of Ian McDiarmid as Hacker, Anthony Pedley as the monesyllable Cleut, and Diane Fletcher and Laura Davenport as the Toynhees. The director is Nicolas Kent, and the settings are by Stephanie



A scene from D. W. Griffiths 1915 epic "Birth of a Nation" shown in the first episode of "Hollywood" around in evening dress

most illuminating insights inte

the dance-werld ef the last cen-

tury that I know. But they will

prove no less enjoyable to any-

ene concerned with the theatrical and social history of

the period. Bournonville, as we knew from such hallets as

Napoli, was a camera, ahle to

Petersburg and Mescow in 1874. Stockhelm and Vienna in the 1850s, with unaffected henesty

and an immediacy which the

years have net diminished.

Bournenville was prond of being

Danish, of being a dancer, of heing a figure in his time, and

faluting, prosy at mement, it is

yet directly expressive of feeling and aspirations. We sense

John Pritchard and

Rodney Friend join

BBCSO John Pritchard and Rodney.

Book Review

Founding father

by CLEMENT CRISP

My Theatre Life by August Italy, Russia. It is a picture Bournonville translated by of an age seen by s man of Patricia N. McAndrew. A. & both sense and sensibilities;

A hundred years ago August ont self aggrandisement; a man bournonville died. And although he feared that his werk and his name would be lost in the world lasts firever, least sensitivity that still move us in the stage "—the centenary of his death finds his name celebrated, of ceurse these memeirs must Of ceurse these memeirs must fascinate ballet-goers utterly; they provide the richest and honoured, and increasingly loved, as mere and more audiences respond to his ballets and the style of dancing they en-

chrine. Yet Bournonville the man has become an ill-comprehended figure and eur view ef his genius damagingly limited by the mere dozen of his hallets that survive from the 50 that Napoli, was a camera, alle to record and re-create scenes without losing the first enthusiasm, and the slightly provincial delight, with which he first saw them. So, in My Theatre Life, his travel notes describe Italian life in 1841, Peters buyer and Mascone in 1874. he preduced. Now we are able to see him in something like the round and cemprehend far more about his life and his werk: Mit. Theaterliv has been translated. One of the mest teasing and exasperating matters for devetoes of the great Dane who de not speak Danish has heen the existence of three fat volumes ef memeirs, page after page ef close-huddled Gethic script, totally resistant to attempts at

decipherment.
Why did no Dane translate them? Every visitor te Copenhagen knews that every Dane speaks fluent English. What conspiracy, what mnte refusal, could account for these memoirs remaining in Linear B? This was the maddening state of play in 1965 when Patricia McAndrew, a young Patricia McAndrew, a young American, saw the Royal Danish Ballet, fell under the Spell of Bournonville choreography, was eager to learn more about the choreographer, and came up against the blank wall of Mit Theateriv. It is to Miss McAndrew's honour and credit that starting from scratch, she that, starting from scratch, she set about learning Danish, and further immersed herself into the linguistic convolutions of Bonronville's ripe mid-19th century style. And thus we have My Theatre Life. It is a hook of exceptional interest. No Friend have both joined the tedious annal of first nights and BBC Symphony Orchestra, self-justification, it offers a panorama of the theatrical and panorama of the theatrical and halletic life of half a century. Gelen and Friend as leader, telling of fruitful endeavour in Sharing that position with Bela Copenhagen, Paris, Vienna, Dekany.

Canada House

Robert-Marcotte-Gray Ensemble

This ensemble is in fact a trie spirited Finale with confident consisting of vielin, hern and panache, piano. Ne denht the extreme Farlier, Miss Gray and Miss slenderness of the repertoire sceents fer their not calling themselves a trio-their con-certs must be fattened with due sonatas. The main work in Monday's recital was, hewever, Brahms's E-flat Trie Op.40, a cheerful and forthright work that one rarely comes upon in

live performance. The viclinist of the Ensemble is Ann Rebert (a student of Maneug Parikian), whose strong bow and rich tone made a successful match with Paul Marcotte's horn. His soft-edged attack and ceel, sylvan sound allowed a much happier blend than can normally he expected in this semewhat unlikely medium; some nen-cemmittal phrasing was perhaps the price of understandahla cautien. Frances Gray at the piano supplied purpeseful energy at a judicious level. They made much ef the passienate sentiments of the Adagio mesto and cantered through the high-

Earlier, Miss Gray and Miss Robert played Mozart's B-flat Vielin Senata. K.454 broadly and stylishly; there the musical cemmsnd seemed te rest with Miss Gray. After Mr. Msrcette had essayed Hindemith's Hern Senata — tee fuzzily declaimed for its peried rhetoric te make its best effect, and too ahyly sup-perted by the piane — we had another violin sensta, this time by Harry Somers. Somers is new a relatively senior and respected senata is an early work, mere than a quarter-century eld. It proved to wear a characteristic Somers surface, all nervy intro-spection and unease, held up just - by several wildly disparate kinds ef musical technique frem different seurces. Not vintage Semers, though it was played with devoted concentration; net really recemmended even fer demestic con-

Irish arts in London

venues featuring artists from at the Round House Seamus heth sides of the border. "A Heaney, William Trevor, and Sense of Ireland" is mainly Jennifer Johnston are among 40 designed to reflect the develop- writers reading and discussing ments in Irish artistic life over the past two decades as well as the older heritage.

young Project Theatre Company is presenting "The Liberty Suit" by Peter Sheridan at the Rnyal Court and "The Risen People" at the ICA, which will also host a desention of the sorship has been raised to Vic and star Cyril Cusack. The also bost a dramatised version of Flann O'Biren's "The Third Policeman" by Ken Camphell's Science Fiction Theatre of Liverpool.

Another attraction is the Irish Affairs.

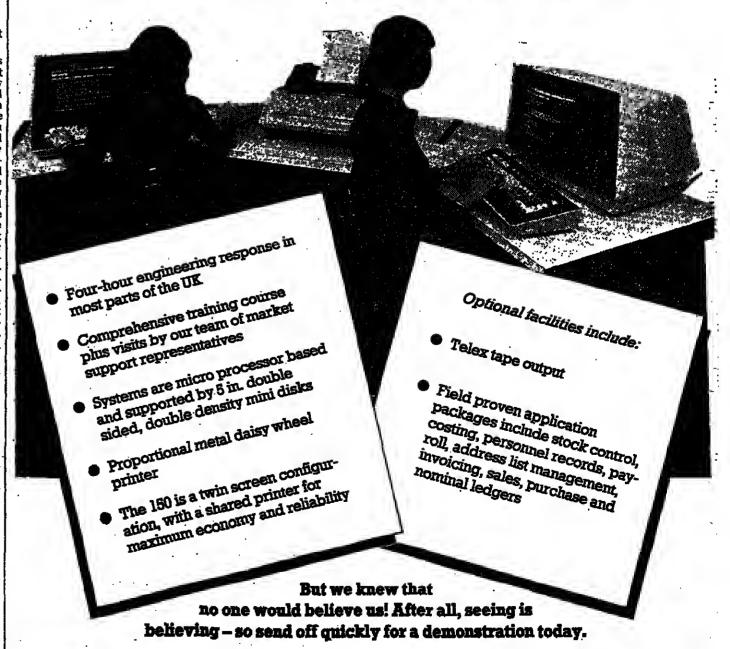
The largest ever festival of felk group The Chieftains accomtured the flavour of Bournenville's literary style (which has parallels with his halletic manner in seriousness as in charm). Sometimes highfaluting proper at manner than the following strain of the flavour of th their work.

> The classical music prothe older heritage.
>
> Perhaps the highlight of the festival is the visit of the Ahbey
> Theatre of Duhlin, in its 75th year, introducing to London Hugh Leonard's latest play "A Hugh Leonard's latest play "A showing Irish-made films span-Life." It will appear at the Old ning 70 years, and the ICA, the

> > finance the festival from Irish and British companies and s guarantee against loss ef £110,000 has come from the Irish Department ef Foreign

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Wednesday January 16 1980

Our borrowed splendour

nervousness about the future Government has so far taken to exchange value of the pound. reduce its borrowing have Initially there were quite persistent capital outflows — quite In short, policy errors—which largely due to the subatitution are quite largely inherited in of sterling horrowings for curto aubside. Recently, however. there bas been a atrong recovery so that sterling now stands at to produce the present recessionits bighest rate since last ary threat; but because of that August, before the controls were abolished. If the authorities were willing to accommodate it in the markets, it is clear that even more capital would be forthwith. To impose a fiscal flowing in.

There is nothing mysterious about this development; it has followed the raising of UK Interest ratea to record levels in November, and is now to some extent reinforced by the interest rates will he downwards. A high running yield coupled with the hope of capital profit is a strong attraction, and t is clear that foreign investment huving of UK Government stock has played a part in the latest surge in the rate.

Violent squeeze

There is little in this plcture to encourage complacency about the UK economy. On the contrary, the strength of the ex-change rate, combined with the high level of interest rates, is Imposing a violent squeeze on corporate finances, as recent alarm signals from the Confederation of Britisb Industry have

It is this combination of recessionary especially bard on manufacturing industry, which bas led critics of the Government's for the higher charges and taxes policy to accuse it of monetar-which the Government has had ism run mad, and urge that to impose, the burden on inmonetary targets should be relaxed to allow existing credit demand to be accommodated at lower interest rates, and withing a monetary policy which out sucking in funds from over-would "validate" this, and out sucking in funds from overseas. In other words, if lnfla-tion is inevitable, lie back and

This line of argument misses later. balf the point. It is true that existing monetary targets are severe in the context of the halance. In which our oil surplus present trends of UK costs and is matched by overseas investcredit demands; but that context ment, the non-oil current is largely set by the Govern- account returns to balance, and ment itself. It is because fiscal sterling strength reflects perpolicy is inconsistent with mone. Tormance rather than a triumph supply can only he controlled must persist.

WHEN exchange controls were by very high interest rates; and finally aholished in October. it is unfortunately true that there was a good deal of many of the steps which the tended to raise consumer prices.

the form of Labour's expendirency debt-and the rale tended ture plans and the Clegg commission-and the efforts to get hack on track bave combined stream of well-qualified advice to the effect that the Government should ahandon the cure squeeze in present circumstances, it is argued. will threaten us not with a recession but with an outright slump and even, according to the alarmists, the destruction of a significant part of British industry.

> the squeeze on industry. A reduced underlying public sector borrowing requirement, with an unchanged monetary target, would free credit for industry, and allow interest rales to ease; and at the same time, the demand for sterling should return to a more rational level. The combined effect of lower interest rates and a less overvalued exchange rate would do far more to help industry than any attempt to maintain further borrowing.

This overlooks the cause of

Far to go

It remains true, of course that the Government controls only part of the demand for forces, bearing funds; if the trade unions succeed in enforcing settlements which compensate them fully dustry will be greater, and the recession deeper, than would otherwise he the case; but adopt allow inflation to persist and accelerate, would only mean a still more painful adjustment

> There is still all too far to go hefore we achieve a proper halance, in which our oil surplus of expensive borrowing, but we

A fair poll in Rhodesia

AS THE ELECTION campaign tinuing presence of units of the in Rhodesia hegins to earnest South African army in the ceasefire remains delicately country, albeit limited to what polsed and the Governor, Lord Soames, is having to convince hitterly opposed sides of his neutrality. Thus the arrival next week of 11 senior representatives of the Commonwealth to observe the conduct of next month's elections takes on special importance.

It was agreed at the Heads of Government summit in Lusaka last Angust that Lusaka last Angust that force. An estimated 5,000 observers would be invited to people are still said to be held assess the conduct of independence elections. In the course of the Lancaster House con-ference, the Secretary General, Mr. Shridath Ramphal, won— not without difficulty—Britain's agreement to the establishment of a formal Commonwealth -observer group which will report to the heads of govern-

Key role

However, the observer group has a key rola to play. It is led by an experienced man, Amhassador Rajeshwar Dayal, India'a former Foreign Minister wbo was bead of the UN mission in whatw as then the Congo in 1960-61. A report com-Congo in 1960-61. A report compiled by representatives of Bangladesb, Barbados, Canada, Ghana, India, Jamaica, Nigeria, Papua New Guinea, Sierra Leone and Australia will carry considerable weight at the UN, the Organisation of African Unity and elsawhere. Unity and elsewbere.

The estimatde £450,000 cost will be shared by all Commonwealth members and although Britain will contribute a third of this, it is a small price to pay. Not only will the observers report on the elections: their very presence—during the polling from February 27 to 29, the team and hack-up staff will exceed 100 based in all eight elec-toral districts—may belp ensure that the elections are conducted legitimately and bring about the final resolution of the 14year old Rhodesia problem.

Their task should not be underestimated. Although the ceasefire bas held since Christmas to a degree which bas surprised many observers there are

The precise circumstances of bound to be those, whatever the the shooting by Rhodesian mill-outcome, who will seek to tary forces last week of seven of charge the UK with rigging the Mr. Josbua Nkomo's guerrillas election. They must be given no remain unexplained. The conjustification for such a charge.

is officially described as a protective role at the Beit Bridge border post, is condemned by Mr. Nkomo and Mr. Robert Mugahe aa a serious breach of the Lancaster House agreement -a view supported even by the modarate President Danial Arap Moi of Kenya, the sole African contributor to the Common-wealth ceasefire movitoring under martial law regulations still in force. The conduct of is causing growing anxiety.

For his part, Mr. Mugabe bas apparently failed to ensure that all his men observe the ceasefire terms. He continues to bold in detention in Mozamhiqua dissident memhers of his party, in contravention of a provision in the Lancaster House agreement calling for the release of political detainees inside and outside Rhodesia.

There will undonhtedly be further difficulties as all parties fight what is expected to he a bitterly contested campaign. Nevertheless, Britain's responsibilities will only end when the international community accepts the outcome. It may be that the Commonwealth ohservers will be divided in their assesament.

Bad losers

It is vital for both Britain and the people of Rhodesia that the elections can be recognised as widely as possible as "free and fair." Bad losers may cry foul but a negative judgement by the Commonwealth could both undermine the settlement's international acceptability and producer the cill free leaves. endanger the still-fragile cease-fire. The final aim must remain an end to the war and inter-national recognition of whatever Government emerges from elections. Lord Soames has a difficult job, with little more than moral authority to impose his will. To exercise that authority to the full, it is essential that be ahould maintain the respect of nevertheless disturbing indica-tors that all is not well. both sides. He must be, and be seen to be, impartial. There are



The former Shah of Iran pictured on his arrival in Panama.

The wandering Persian By ANDREW WHITLEY, recently on Contadora Island, Panama

s casting around for a seventh, and he hopes permanent, exile

bome. Not that there is anything wrong with the Panamanian island of Contadora. It is remarkably similar to the luxury jetsetters' hide-away he himself once owned, Kisb Island in the Persian Gulf. But it is hardly the place the man who was once the most courted stateaman in the westero camp would wish to

live out bis remaining days. Contadora is little more than mile long by 600 yards wide Island of Elba for this latterday Napoleon. Dispirited and lonely the Shah spends his evenings playing solitaire and listening to the radio for news of bls strife-torn bomeland. With him is bls wife, the former Empress Farah, and a few loyal retainers.

To get out of bis predicament the Shah is beavily dependent on the Americans. It was President Carter's Administration which got him to Panama, in response to orgent appeals for help when his planned return to Mexico fell through at the last moment, and so It Is now the White House which bears the main burden of trying to fied somewhere permanent. This most be done on the island, a relatively without exacerbating the modest four-bedroomed buildalready grave confrontation with the revolutionary regime

was suddenly and unexpectedly assassination threats from mem-slammed in his face graphically bers of the new regime in Iran.

AS HE MARKS the first, hitter hecome tha wandering Persian strip, next to the bonse. anniversary of his fall from of the western world, as power, the former Shah of Iran opposed to the playboy he once a Panamanian naval was in the early days of his 37-year reign. According to well - placed

diplomats, the question of the

Shah taking up permanent residence in Mexico was the

subject of a running, unresolved dispute between the President, Sr. Lopez Portillo, and his Foreign Minister, Sr. Jorge Casteneda. The bait for Sr. Casteneda in sticking hy bis opposition to taking hack the Shah is said to have been a Soviet offer to promote the Mexican candidacy to the vacant seat on the UN Security Council as a compromise choice between the deadlocked Cubans and Colombians. In the second week of December as a Shab alde was preparing the practical details for bis return, the Mexican Foreign Minister publicly anounced, reportedly without consulting the President first, that be was no longer welcome. Mexico got Its seat

on the Security Council and the Shab's plans were in disarray. The way out was provided by Sr. Gilbert Lewis, Panama's chase of the island, representative to the UN, who OWDS Contadora, one of the few inbablted islands in the Archipelago de las Perlas, 20 miles off Panama'a Pacific coast. The Shah is now living in his bouse The way in which the door jointly by the Panamanians and to his return to Mexico, after medical treatment in the U.S., was suddenly and unexpected. illustrates the way in which the A helicopter gunship is parked 61-year-old former monarch bas on the island's undulating air-

Seaward access is blocked by a Panamanian naval gunboat. Two Americans living on the island described bow they watched horrified one day as the sailors prepared to open fire on an unidentified light aircraft approaching the island. All visitors to the island are carefully screened before leaving the mainland and searched on

many months after the revolu-tion an all-abiding obsession Keeping himself informed is apparently one of the Sbah's main problems. He receives regular telephone briefings from his former ambassadors, in their countries of exile, just as in the old days; while other Middle Eastern monarchs still on their thrones, as well as other friends such as President Sadat of Egypt, reportedly call fre-

On the surface relations with the Panamanian authorities are cordial. President Aristides Royo and the country's military strongman, General Torrijos, bave resisted pressures to send the Shah back to Iran. The Shah was even offered the pur-\$4m, as a permanent bome. clearly not an ideal solution to the problems of the wandering Iranian royal family. In the past 12 months spells of varying duration bave been spent in Egypt, Morocco, lng surrounded by troplcal Bahamas, Mexico, the U.S. and jungle and magnificent sandy now Panama where be arrived on December 16 after Mr. Hamilton Jordan, President Carter's aide, had cleared the

> In the meantime scores of countries, large and small, ranging from Britain to Tonga have made it plain both in

Iran's new tests By SIMON HENDERSON, in Tehran

The formerly secret Revolu-

that even they might be losing

some of their influence and

because it has dawned on the students, if not yet un

Khomeini himself, that they are

not able to force the Shah back

to Iran to stand trial by hold-

public and private that they

do not want the problems asso-

ciated with the Shah's presence

As he hegins his second year

in exile there is no indication

that the once all-powerful Shah

is planning to maka a come-

back, either by diplomatic or

military means. The possibi-

on their territory.

The crisis is now deadlocked

standing.

a year ago today on his "long vacation" bis up a division in the revolution. empire was crumbling around It is the same split which is him. Widespread demonstrations bad reduced his authority minorities who want a say in the running of their affairs. Ayatollah Khomeini is accepted almost to the gates of his own palace in north Tehran. as the nation's leader; but on Now, at least at first glance,

his successor Ayatollah Khomeini is having similar problems. There have been the subjects upon which he does not pronounce there is considerable room for individual interpretation, and therefore disagreement. riots near his own home in the holy city of Qom, in the desert 90 miles south of the His revolutionary tionary Conneil which has been orces are scarcely able ta conrunning the country since the trol mounting problems in the provinces and, in some areas, Government of Mr. Mehdi Bazargan resigned at the start have aroused the same kind of hatred from the local people as they bad for Shah's soldiers. of the embassy crisis over two months ago has shown itself to be surprisingly weak. Its six religious and eight lay Alongside these difficulties

the twin concerns of the western world—the continued detention of 50 U.S. citizens in the Soviet invasion of Afghanistan—are of lesser, and fading. importance to the Iranian The hostages are becoming an embarrassment, made by the militant Islamic while the invasion bas been students holding the embassy. largely ignored.

In the words of one ambas-sador in Tehran: "Iran is in the midst of a revolution and can-not he distracted from it." For Khomeini loyalists the present focus of that revolution is the confrontation with the U.S. over Washington's support for the Shah and claims of espionage

THEN THE Shah left Iran activities at its Tehran embassy, ing Americans hostage. The in Kurdistan are isolated and students are therefore immo- cut off. But thr U.S. crisis has opened bile, and the talk of spy trials or tribunals to investigate U.S. policy appears to have been put to one side—at least until after the election of the Repub- pleting the long drawn out conlic's first President on January

> Diplomats studying the revolution distinguish two main currents: first, the fervent religious revival of Shi'ite Islam and, secondly, an essentially left-wing, anti-American line which is seeking to turn Iran's society upside down. It is this latter aspect which is most likely to spread to neighbouring conservative Moslem

members meet each evening, Broadly speaking Khomeini is seen as following the first line, but they have yet to produce a coherent policy for the future of Iran. Nor do they apparently the students the second, and the have a policy which will help Revolutionary Council a comsolve the hostage crisis, as they bination of both. The Council also appears to accept that, baving been charged with Instead, the running has been Government, it responsibly. though there are indications

The problem with Iran today is that for some sections of the population a Shi'ite Islamic revival is anathema; while the anti-Americanism is over-shadowed among regional groups which are probably more suspicious of whoever is running the Persian-speaking heart-land.

Khomeini's greatest challenger, though be would not admit to lt, is Ayatollah Shariat-Madari who lives in Qom hut is the spiritual leader of the Azerbaijani Turks in the north west of Iran. His scarcely hidden disagreement with Khomeini on the nature of an Islamic constitution has served to sow the seeds of the highly damaging belief that "the Imam" can be challenged and therefore should not be a "Faghih," a trustee of the faith, in a supreme political and religious role. The provincial capital of Azerbaijan, Tabriz, has

and looks like staying so. lity of his returning was for The 12m Azerbaijanis, a third of the country's total populaof Ayatollah Khomeini'a foltion, are too numerous to be subjugated by Khomelni's limited forces. Soldiers from lowers; but the potency of the fear now appears to be ebbing. Instead, be has become the belp- the region also make up an less fish on the book of the U.S. exceptionally high proportion of discomfiture as Washington the army's ranks. The Kurdish struggles to find a way out of revolt, in the area south of the 10-week-long confrontation Azerbaijan, is even more estab-

been in semi-revolt for a month

After the Presidential elections, Iran's voters will be required to turn out for the fifth time in 12 months to choose a National Assembly, thus comstitutional process of transition from the monarchy. However, a number of problem areas remain to be sorted out before the new apparatus of government can be said to be truly installed. Most pressing are the future President's relation ahip with the Revolutionary Council and the extent to which Ayatollah Khomeini, as "Faghih," will exercise his supreme power from day to day. On the other hand, Shariat-Madari's constitutional challenge may effectively knock the bricks to the ground before they can be put in position.

An incipient challenge

Khomeini is coming from the quiet growth of a Left wing based, for the first time, on working class support, its members annoyed by economic difficulty and tired of religion.

This phenomennn has not shown itself in public yet. Apart from disgruntled unemployed workers, the demonstrators in the street are still firmly for Khomeini. But the Communists and other left wingers are well organised and although initially emharassed by the Soviet action against Afghanistan will probably; see it eventually as encouragement

In the event of trouble the anthorities now rely almost exclusively on the Revolutionary Guard, with its estimated strength of 20,000—the army been deliberately baving weakened hy purges to preven a counter conp. Yet the Guards are insufficiently trained pro-voe resentment by their highhanded behaviour, and have sustained needlessly casualties in the clashes they bave been involved in. .

Even the most committed of Ayatollah Khomeinl'a opponents, within Iran or in exile, do not see an early end to the Islamic order he has ushered in. But while such a lack of authority persists Iran remains prone to internal rebellion and, potentially, external aggression In the words of one fearful senior official from a neighbouring country, a Soviet thrust against Iran could under conceivable circumstances " be porwith the Ayatollah and his men. lished. Government garrisons traved as a stabilising act.



Source: Turkish newspaper Cumhuriyet. Cartoon by ALI ULYI

In the black with **British Rail**

The continuing aaga of the oil crists is at least good news to someone. Gilbert Armstrong, still in force. The conduct of managing director of the the apparently unmonitored canterbury company Sunclex, "auxiliaries" predominantly bas seen a large gamble pay loyal to Bishop Abel Muzorewa off—the buying out of the 50 per cent stake in the concern held by Sun Oil of Pennsylvania. Snnclex is now totally Britisb-owned.

"We were extremely lucky." saya Armstrong. "The timing was right, and we also recognised the potantial of British Rail's new oil-recycling process." Sunclex stands to clean up on a lucrative contract with BR, whose laboratory at Doncaster has perfected the first satisfactory method of "laundering" automotive oils. The process will be operated commercially by Sunclex.

At present waste oil is largely burned as a fuel. The new process, using coagulants and a centrifuge, enables the oil to be brought back to the

original specifications.

Plant capable of handling 100,000 gallons costs £50,000, that using previous processes around £1m. BR stands to make at least £100,000 a year from royalties, apart from saving substantially on its own oil bill: recycled oil saves half the cost of diesel luhricants.

For the first time, says Armstrong, bus companies disposing of, say, 500 gallons of oil a week can recycle it economically. As things stand, the transport costs to one of the three so-called re-refineries this uneconomic. "Another beanty of the process is that BR have proved that the recycled oil works on very

Gilbert plans to demonstrate I assume, to mention the the process in Manchester on successful application of his January 23, and in Kent during own theories. In his role as February. Other units are agricultural sales manager of appeal of up-market cheesecake planned. "We are not," says Abertay, an offshoot of British—it is a aomewhat smudgy Gilbert, "aiming to scoop the Gypsum, Sutherland has helped black and white production—

abould be handling 25,000 tons of oil in the UK." Luck as well as judgement bas certainly smiled on Sunclex, which has seen oil prices in Britain double since it bought its independence from Snn Oil. No doubt there will also he some dramatic improvement, too, on the company's 1978 turnover of £750,000.

No meanz yes

You bave been warned: Heinz Goldman, author of the work How to Win Customers, and generally regarded as one of the world's ton sales the world's top salesmen, is now husy selling himself in Britain. More precisely, be is selling a two-day course in London called The Art of

Selling. In the unlikely event of anyona not feeling inclined to pay around £100 to go along, the pamphlet advertising the course bas a aimple answer. "Selling," it says, "really begins when the customer says 'No'."

"The word 'No'." the pamphlet continues, "can lead to

very great opportunities.

A clearly defined method is needed. It is based on a clear analysis of customers' buying resistance and motivations and is applicable to all types of industrial and consumer

It will be interesting to see low many people who said No turn np.

In the bag

Jim Sutherland, who ruffled a few feathers in the advertising the small ads for buck rakes and dovecote recently with a letter mastitis cures in the farming the recycled oil works on very in this paper describing Press. Surreausm is not necesexpensive locomotives. We feel agencies as "parasites" and sary. I believe in getting back
we have a platform on which charging them with "narciswe can develop it." sism," failed, through modesty, ahirts belp a lot," ha admits.

Cilbert plans to demonstrate I assume, to mention the He has also launched a Abertay, an offshoot of British —it is a aomewhat smudgy Gypsum, Sutherland has helped black and white production pool, but we would think that his company to its present posi- Sutherland claims to have sold

"They say run round in circles for a while."

tion as the country's main supplier of paper sacks to the potato trade.

When he joined the company ahout 10 years ago Ahertay was mainly interested in aacks for non agricultural industries.

Off the air

Now, according to Ian Fletcher, marketing manager, potato-hags account for about 20 per cent of the company's business, and well over im tonnes of potatos go yearly to market in Abertay wrappers. Sutherland found the key to promotional success at a farming demonstration in 1976, when he decked out pretty girls in tee-shirts emhlazoned with the company title. Since then, similarly packaged young ladies have adorned the Abertay advertisements which misch for vertisements, which mingle in-congruously but effectively with cote recently with a letter mastitis cures in the farming this paper describing Press. Surrealism is not necessuccessful company calendar. While it lacks the full-gloss

a fifth of this year's 5,000 run at £1 a time. Some pictures come from professional photographers, but Sutherland also takes a snap or two, be confides.

Bang on

A reader who makes regular visits to the Orient has found his new phrase book, Everyday expressions in Japanese, most helpful. It contains vital insights into attitudes to women, for example. The author, one Hideichi Ono, feels travellers will have occasion to remark: "She gives me the impression of cleanlinass," and "She is generous, reserved, faithful, docile, and obedient." But what sort of visitor, my informant asks, will find the need to confess: "Watashi wa kare o kenju de koroshimashita—I killed him with a revolver.'

The Chinese authorities are vigorously continuing their efforts to limit the growth of the cult founded on the memory of the late Chairman Mao. In the latest move, Radio Peking bas stopped broadcasting Mao's "anthem," The East is Red, as its station identification tune. Other provincial radio atations are believed to have followed suit, and in Hunan Province the cult song has been replaced with

a traditional air.

Elsewhere, however, the melody lingers on — a recently inaugurated clock tower in Anhui Province chimes a few bars of The East is Red before striking the hours.

Drill bit

Heard in a Glasgow electrical shop: "Have you anything I can fit to my telly that will interfere with the neighbour's electrie drill? "

Observer

Q.Where is the nearest **Assisted Area to London** and the South East?

A. Corby, Northants. **Britain's newest Assisted** Area.

cloping in the south of Britain, you midder CORBY which can now offer a pe # Good and improving a parts of the U.K. * Assistance from British Steel (industry) Advance factories and land The Development Corporation has set up an

Corby Development Corporation
Chisholm House, 9 Queen's Square, Corby, Northsonts, NINTY PA

Signs of foot-dragging in Whitehall

GOVERNMENT

So far the results of the numbers-citing exercise bave heen pretti feeble. Most depart-December, iturned ont that the total number of jobs which ministers has agreed could be "saved"—3900—represented only about 6 per cent of the 600,000 whit - collar civil servants, or something very close to the annal wastage rate. There were, course, wide variations between departments, but in many uses there remained a marin of doubt whether the figure represented new savings, and t so, whether they represented im and specific decisions or mirely general targets.

Of course, if the Government does succeed in utting the army of bureaucrats y even 6.5 per cent, that is notsomething to be sniffed at. a current money terms that crresponds to a saving of £212m ayear, and at the rate Civil Servit salaries are going up it coul correspond to a lot more by he time the reductiona become fective. there will be another staffing review exercise this yeal in the spending cuts, so that Mrs. Thatcher may achieve why she around. But while any sultantial reduction in the numbes of ment's budgetary arithmet

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Assiste

involved in

has since wages and salaries for the Defence Ministry it was about launchid two attacks on the staff of government depart the cost of food for the armed Civil Service bureaucracy since ments amount to £3.7bn, or last symmer. Mrs. Thatcher about 10 per cent of total public called or straightforward cuts expenditure (and that does not ... in the nimbers of civil servants. include their pensions, which with optons of 10, 15 or 20 per adds another £535m) the saving cent; and she put Sir Derek of numbers and of money does Rayner, & Marks and Spencer, not by itself make the governto work a series of efficiency ment machine more efficient projects in all the major Indeed, according to the apologists for the status quo, it makes it less efficient, because departments cannot adequately carry out the duties imposed by ments declied to do any work on the higher options, and when over-familiar refrain which has the exercise was completed in December. is the control of the duties imposed by Parliament, etc. But that is an over-familiar refrain which has been provided in the complete of the control of the co

Instructions

Sir Derek Rayner's programme is a different kettle of fish. Last summer, depart-mental ministers were asked to identify specific aspects of the operations of their departments which did, or might, need looktng at. In each department a principal was put in charge of the project, with instructions to report back within 60 days to Sir Derek Rayner at the Cabinet Office, with analysis and recommendations.

As one might expect, the projects varied widely. In the Civil Service Department it was about whether other Clvil Service departments should be charged for sending members of their staff to the Civil Service College. In the Enargy Department it was about the Moreover, the process is not organisation and management finished. It seems clar that of research and development. especially in "new energy" technologies. In the Property context of a new round opublic Services Agency it was about energy conservation in new buildings. In the Department failed to achieve the firsttime of Industry it was about the efficiency of the statistical services. In the Ministry of Agricivil servants must make ause- culture it was about the ful contribution to the Govrn- procedures for giving capital that the present system is ex-

In all, there were 29 such & projects, and most of them were completed within the 60-day time limit. Since then there has been, at least officially, a deathly silence. Shortly before Christmas it was being said that Mrs. Thatcher was likely to make a triumphant statement in the Commons early in the New Year, followed by a detailed analysis by Sir Derek himself of the results and lessons of the programme. Now it seems the timatable has allpped, with no date for a statement. Deapite the delay, most of the Ministers conceroed have still not decided whether to accept the recommendations put forward by Sir Derek's surrogates in their departments.

One explanation for the delay n bringing this batch of Rayner projects to a conclusion is that many of the reports raise wide-ranging questions which go well beyond the original specific issues. In some cases I can see that this may well be st least part of the story.

Take, for example, the case of the Department of Health and Social Security. There the team was asked to look at the system not be made aimpler and lesa expensive. At present, virtually all benefits, with the exception of unemployment pay, are paid weekly, by orders which are generally cashed through a locs! post office. The question was first, whether the payments could be made less frequently, and aecond, whether the payments could be made by direct credlt to a bank, building acciety or Post Office Giro account.

Tha report ahowed clearly



Mr. Leslie Chapman, who cut waste in part of the PSA but falled to persuade the PSA to follow through, Right: Sir Derek Rayner

security payments are made each year, and the cost of making the payments in this way is about £250m. It also showed that Britain is out of step with most European countries: many of them pay benefits monthly, and the French are particularly tough by which social security benefits in paying some benefits three-are paid, to see whether it could monthly in arrears. monthly in arrears.

The DHSS team concluded that a change is possible and desirable. What seems to be

mately 1,000m separate social mics of maintaining some 3,000 the controversial issue of iodussub-post offices

At the Manpower Services Commission (MSC), the team looked at the 69 akill (training) centres scattered round the country. It found that many of them are under-used, and that the role of the industrial traina disappointingly low proportion ing boards. Also it is not as if of people who go through skill any of the proposed changes centre training actually find and keep jobs afterwards. The money: even if all the recom-proposal is, therefore, that up mendations were accepted, the to 20 of these centres should be closed.

holding up a decision is the fear this proposal, however, one that a shift to fortnightly or specific, one general. First, that able trade-off between the monthly payments would raise a the least "productive" skill savings and the unpopularity great squawk from the centres tend to be in areas of for some, like pensioners, the effort to provide training for drogging does not also suggest weekly visit to the post office is employment la particularly a lack of support in the higher a valued social activity. In useful in such areas, even if it reaches of the Civil Service for addition, there has been active is less efficient and more expenlobbying from the Post Office, sive than in low unemployment on the grounds that any reduc- areas. Second, it is difficult to

UK: Sir Keith Joseph.

on private sector strike.

GENERAL

trial training policy generally. One can see the furce of the besitations in both these cases -and it so happens that the MSC is due to review the 1973 Employment Training Act and would be likely to aave much total would reach no more than e closed. £80m a year, with a further £50m There sre two problems with on capital account. Ministers may not think there is a favourthey might cause.

recipients: a lot of people are high unemployment. It could But I rather wonder whether used to weekly budgeting, and therefore he argued that ony the evidence of general foolthe very notion of the Rayner programme. It is true that some projects raise large questions, tion in frequency could have a take a decision on skill centres but the largest question of all grants to farmers. In the ceedingly expensive: approxi- damaging effect on the econo- except in the consideration of is raised by the programme as that the Civil Service has no civil servant.

managed, how should it be inclination for, systematically how can it be scrutinising its own activities. managed?

At present there are in alone is responsible for this tbeory two centres of manage- kind of and outside management, by the

policy," or at least dealing with senior civil aervants; but few are attracted by the Idea of Ormanaging their departments, in cial This is partly not at all. hecause it hrings little or no publicity, partly because it is difficult: Mr. Micbael Heseltice, exceptionally, bas made bay with his problems at the Departmeet of the Environment in finding out what bis umpteen thousand staff actually do, and is oo accident that his conribution to Rayner is a project to study the provision of this kind of management information to Ministers.

Exposure

Outside management is just as ineffective. The CSD is widely described as "feeble." ments systematically access to what they do. The handful of colleagues in the Cabinet Office, and ultimately to the outside world.

management is ment: inside management, by a obviously a fiction. The pro-Minister of his own department, vision of more information would obviously help, and it is so-called partnership between Sir Derek's intention to draft a the department and the Civil basic management handbook to Service Department and help Ministers deal with their Treasury dealing with staff and management problems. But it money. Neither works at all cannot be really effective unless some system of permanent self-Ministers may enjoy "making scrutiny is built into the perpolicy." or at least dealing with manent structure of the the recommendations of their bureaucracy—and is accepted by the bureaucracy itself. One element must be finan the sense of inquiriog wbat is done, why it is done, whether it could be done differently, or not at all must be financial accountability. The Stationery Office is to start charging departments for the supplies it provides

The notion that the Miniater

much more expensive services provided by the Property Services Agency come although we know from Mr. Leslie Chapman, formerly of the PSA, that for the word "free" we sbould read 'extravagant." With responaihility for a complete financia! package, the "Accounting Officer" in each department " Accounting (otherwise known as the Permanent Secretary) could in reality become accountable.

But accountable to whom? Rayner'a programme bas stirred things up, and another 33 projects under diacussion should do a bit more. But the task of management scrutiny should but the point is that the depart- not be dependent on the passdeny ing interest of one business man and one Prime Minister. novelty of the Rayner pro- It can only be a dependable gramme is that some unfortu- element in Civil Service think nate inside principal is forced ing if the Commons is much to make himself extremely un- mere energetic in holding the popular with some of his col- executive to account. The conleagues, by exposing their clusion of one man who has activities to SIr Derck and a closely followed the Rayner programme is that Parliament has been negligent in the past, and should equip itself to keep The heart of the problem is up the pressure-and he is

Letters to the Editor

the price of

From the Director. National Federation of Clay

Sir,-If the proposed gas insomething to reduce the burden electricity. As published data put upon industries that are dependent npon energy, then per city falling not necessarily because as a nation we are haps it can be that people will becare as a nation we are be able to earn more and thus, working less hard, but possibly pay their gas bills more easily, for the contrary reason. Our the proposed increases lead "Save to to domestic economy, then more cided with vastly increased of our finite gas resources can be efficiency in the use of electri-

Sea oil and gas run out we shall have new energy sources. One must be nuclear of these must be nuclear generated electricity and, there fore, it would be as well to assist those poor people who live in all-electric flats. It can only be crazy to have a price structure which penalises those who use the fuel of the future.

Industries such as those representations of the line in using electricity for space and waterheating.

Publication of fuel-use balance sheets related to again

Industries such as those repre-sented by this federation need clean gaseous fuels and if prices are allowed to rise as they have over the past few years and far outstrip domestic, we shall have centrally beated bouses to be unemployed in.

One cannot expect the chairman of the National Gas Consumers Council (January 14) to aee these arguments since the industrial consumer is simply not adequately represented on her council. This is not ber fault. It is the feult of successive ministers who have appointed her members.

R. S. Redmond. Weston House, Sheffield, South Yorks.

Strategy for energy

From Mr. N. Jenkins Sir,-Opposition to the building of nuclear reactors, in spite of its spparent atrength, seems to bave been dealt a severe if not stunning blow by the recent decision to go ahead with e new £2bn programme. Now, only a few weeks after the announcement, e survey of the major publications notes a vir-

tual cessation of protest. Before the situation becomes accepted as inevitable—although some measure of nuclear-powered generation is certainly unavoidable—a word of cantion, if not protest, should be sounded in an area of even greater importance. The place of nuclear in relation to other proven methods using coal, oil or gas, to combined heat and power—CHP—to the altarnatives of wind, wave, tidal, geothermal and fusion power, the imminent production of substitute natural gas—SNG and to continuing well-funded energy research has yet to be

Such energy strategy plan-ning should anticipate indivi-dual industry policy statements but it is very evident from each announcement that government decisions on major pollcy developments in every case are made only one at a time and in the light, for instance, of the impact of coal shortage, of inreased gas demand, of aborttme working in the turbine POIICY industry. The impact of any From Mr. M. Kerridge

neglected if not ignored, at well qually unconcerned.

of new nuclear programme in (January 12) can do relaion to the real need for ' efforts bave coinith vaatly increased tronics. We have yet to equal the electricity demand of 1973, the year of energy trauma-

tal expenditure. Research effort and energy tariffs right across the whole field of strategy, could and should right in public reaction and greater involve-ment—and a more balanced view towards a realistic nuclear

programme.

In view of the recen decision leapfrogging another or at least government prinouncement—on the recommendations of last July from the Marsball Committee on CHP, one wonders whether the electricity injustry could face complete disclosure bearing in mind the appalling record of forecasting errors in the last 30 years. It is not what is disclosed that is importwhat is the hidden implica-tions that are so profoundly disturbing. What, for instance, is to be the fate of the dozen-turbines now being ballt for the 7,600 MW oil end gas-fired stations still incomplete? It is a small point, perhaps, one of a number of associated issues, but this involves somewhere between £760m end £2.28bn. If these turbines cannot be used in the new nuclear stations,

why not? We should be given the facts.
on which to evaluate all major come—not of its own forecasts but the irretrievable position this industry, virtually alone without change, will continue to waste the same proportion— and mind-boggling total—of fuel as before 1973, two tons for every one turned into electri- Martin Kerridge city. Much the same could be said of gas and plans for SNG. Competition between these industries is destructive of the national interest: more than 52 Lincoln's Inn Fields, WC2 ever there is a growing need for an independent Energy Council to replace the Electricity Council. Norman Jenkins.

Transport

policy

least by correspondents and operators, a creat service by commenators. Heaven belp us his Lombard column of January f the Government's advisers are 11. That economists have been too timid or too apathetic to Where the Miniatries cer- argue unfashionable views, tinly appear to be lacking in even when it is patently in the foethought, is in consideration public interest for them to do public interest for them to do so, should be a source of shame to the profession in general.

The case for subsidising public transport is clearly made by Mr. Kaletsky, and although he talks mostly of railways the economic argument for subsidising bus services is the 'same-and, compared with rail, buses are the major carrier. available for export earnings.

city in hyproving lighting outbenefit from hus travel as without for export earnings.

Surely, it must make sense for put, motol controls, astonishing out it congestion in many towns on the profits of British reductions in consumption, and cities would be intolerable. Non-users as well as users Gas to be used in research and resulting 17st from transistors and energy use would increase. HIs second argument, regarding economies of scale, also applies to bus transport. If a certain minimum level of bus service is provided, and runs to a timetable, then if the bus is not full the cost of carrying an extra passenger is minimal. Yet, at present fares, many people have had to reduce the number of trips they make on buses that are ostensibly provided for their benefit, and which are all too often running with spare capacity. Such enforced lack of mobility, or uneconomic diversion to car travel, is a drain on our economy and a diminution of the quality of

The bus industry, like the railway, has however to be realistic. Funds are provided grudgingly in response to deficits and are constantly under threat. Nevertheless the economic henefits from a change in policy are demon-strable and social benefits, too, would follow. In Swaden, a national transport cost benefit study led to a substantial reduction in railway fares. While this confederation should be — and is — arguing the economic case for subsidies in the public interest, we need to find immediate ways of moving towards more rational public transport planning.

In this context, British Rail'a recent suggestion of e "little Neddy" for transport is to be welcomed. For our part, the bus industry has long sought to impress on national and local tegy. Either the electricity gested town centres can achieve industry is hiding major evidence, or it has too much confidence in the eventual and government that giving priority for public transport in confidence in the eventual and government that giving priority for public transport in confidence in the eventual and government that giving priority for public transport in confidence in the eventual and government that giving priority for public transport in confidence in the eventual and government that giving priority for public transport in confidence in the electricity gested town centres can achieve that giving priority for public transport in confidence in the electricity gested town centres can achieve that giving priority for public transport in confidence in the electricity gested town centres can achieve that giving priority gested town centres can achieve that would be derived. that would be derived from subsidy. This is hecause quicker services reduce costs and attract passengers. At the into which the nation can be same time, a new approach to manoeuvred. In the meanwhile, subsidies and pricing policy this industry, virtually alone based on economic benefit needs to be developed for all public approach which baa led to the present position. Confederation of British Road Passenger Transport,

> Small firms' voice

Sardinia House,

From the Deputy Director General, Confederation of British Industry. Sir,-The myth that the CBI

represents only large firms dies bard, as your article "London's smal business communities tries to make its voice heard," ole of these on overall national Sir, Anatola Kaletsky does (January 7) shows. We never D. Wallaca Bell. one or these on the aconomics profession, as cease explaining that by far the 78, Buckingham Gate, SW1.

transport greater part of the membership engineeriog profession, City University, EC1, Sir John Greenborough, Conof the CBl consists of firms of modest or very modest size, but federation of British Industry for some reason the message president, opens conference on Economic realities—the woman's seems very slow in getting through. role, Loodoo. 1ron and Steel Trades Coo-

The bye-laws of the CBI require the director-general "to ensure that the problems of small manufacturers are being sufficiently considered and dealt with." This is an obligation the CBI takes very seriously. have a smaller firms directorate which devotes all its efforts to the problems of smaller firms. We bave a council of smaller firms, and the constitution ensures that smaller firms bave representation on all our central policy-making committees and on our regional councils. These arrangements, backed as they are by all the facilities and all the authority of the CBl, provide unsurpassed representation for the smaller firm.

A number of Chambers of Commerce are already in mem-bership of the CBL. Their subscription is low, being only a few pence more than £3 per member of the Chamber, which, contrary to what was sald in your article, could scarcely be regarded as too much for any organisation to pay.

There is thus no need for the small business community to cast around for a means of meking its voice beard. The CBI can and does already perform that function admirably. Edward James.

21 Tothill Street, SW1.

Attitudes to participation From the Director.

Industrial Participation

Sir.—Mr. Walter Goldsmith (Jan. 9) is to be congratulated on drewing attention to some of on drewing attention to some or the paths which companies can and ahould follow in improving their relationships with their employees. Those who bave most experience of participation will say, however, that what metters even more than practices and structures is the ques-tion of attitudes. Structures by thamselves do not achieve much if those who operate them do not have the right motivation.

The attitude of top management is critical, and Mr. Goldsmith is right to say that the board of directors must take the lead. But shop floor and trade union attitudes are important also. Participation is not a one way street.

Participation is most likely to succeed when it is jointly designed. The inttial impetus will usually come from management, but employees et all levels, and their representatives, should be involved from an early stage in deciding what form participetion abould take, and in planning its implemen-tation. That is the only way to ensure the degree of mutual respect and understanding, and the will to co-operate for common purposes, that are essential for participation to be effective. Many of the most successful participation agreements have been prepared by joint working parties. These provide also the basis for a joint initiative in individual companies, carrying as they do a broad measure of support in both management and trade union circles.

Today's Events

Industry Secretary, opens con-ference on Finniston Report on Foreign Secretary, in Delbl.

PARLIAMENTARY BUSINESS Hoose of Commons: Motions on Rate Support Grant Orders. Motion on Value Added Tax (Interoctional Services).

House of Lords: Debate on federation full executive decides obscenity and film censorship. Short debate on future of hospital services in Omagh.

uoioos meet in Londoo to dis-Select Committees: Education, Scleoce and Arts. Subject: Funding and organisation of cuss opposition to closure plans. Birmingbam Chamber of Com-

and Commonwealth Office, Room 5, 10.45 am. Social Services: Subject: Perinatal and neonatal mortality. Room 8, 4.30 pm. OFFICIAL STATISTICS

lodex of industrial production Indices of basic rate of wages (December). COMPANY MEETINGS

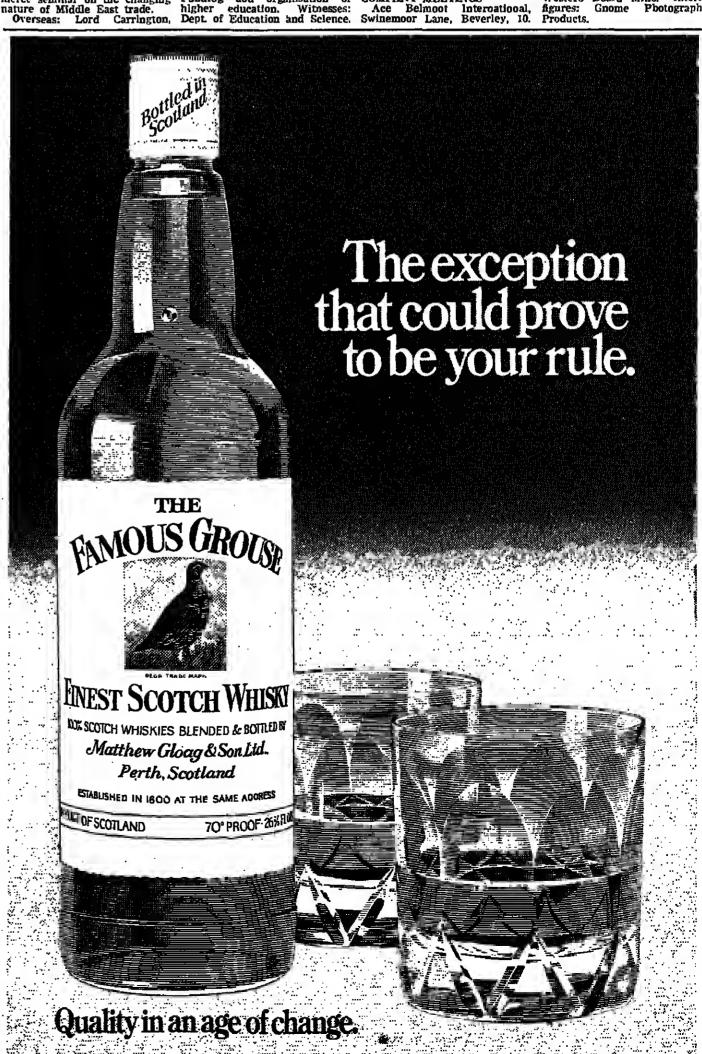
Amalgamated Tin Mines of oreign Secretary, in Delbl.
OPEC Finance Ministers meet, ienna.

Room 13, 10.30 am. Industry Road Mills, Leeds, 11.

Foreign Affairs. Subject. FCC Nigeria, Winchester House, EC.

Amalgamated Tio Mines of NIgeria. Countryside Properties. Thomaa French and Soos. Reo Stakis Organisation. Trusthous United States and Forte. Corporatioo. dividends: for Wales, third quarter. Indices of average earnings (November).

Colloids Group. Letraset loter-national. Magnet and Southerns, national. Magoet and Southerns. Stock Conversion and Invest-Westero Board Mills. Interim figures: Gnome Photographic



£4m increase

from SGB

A STRONG performance in the UK helped to push up taxable tovestments would be mede in profits of SGB Group from oil, bricks and other commoditions of September 29, 1979, on added. increased turnover of £119.34m,

The pre-tax surplus of the con-struction plant and services concern was struck after interest and dividends received of £206,000 (£62,000), and interest charged of £2.65m (£1.66m). At midway, prefits were up from £4.43m to £6.12m. The directors said the improvement was mainly due to the UK companies and this trend was con-

tinuing, promising a good fullyear performance They now say the four major operating divisions in the UK made substantial progress in the year, each increasing profits hy over 40 per cent. Overseas, the profit was slightly better than last time, even after making additional provisions against

certain overseas investments.
The net total dividend is atepped up from 6.3p to S.25p, with a final of 5.1p. A four-forfive scrip issue is also proposed. Stated earnings per 25p share are up from 43.8p to 49.5p. The tax charge is sbsrply higher at £3.2m, against £0.77m. Attributable profit came through at £10.96m (£9.5m), sfter minorities of £0.35m (£0.43m).

Sec Lex

Hanson Tst. policies for future

Hanson Trust expects to ensure higher profits and turnover throughout the 1980s by increased investment in energy and other basic commodities, Sir James Hanson, the cheirman. said after yesterday's annual

The first quarter of 1980 had shown higher profitability throughout the company, led by the fresh meat market in the U.S., finance director Mr. Brian

Diamond **Stylus** halved

REFLECTING difficult trading conditions, particularly in the U.S., pre-tax profits of The Diamond Stylus Company were more than halved in the six months to September 30, 1979, falling from £80,116 to £37,369. The directors of the group, which manufactures and distributes diamond-tipped gramo-phone needles, point out that the strength of the pound operated against them in the say they are by subsequent hut encouraged

trading. The interim dividend virtually the same, at 0.2964p (0.2873p) net—a final of 0.5947p was paid last year on total profits of £251,586 (£204,061). Turnover for the six months slipped from £768,400 to £741,843. After tax and a small firms employment subsid; £2,370 (£2,146), net profit emerges as £17,937 (£38,456). Last year's figure included a temporary employment subsidy

The surplus also includes a share of the profits of 50 per cent-owned associate Elgin Diamond Products (Eurolpe).

DON'T MISS THE

NAP SHARES FOR 1980

*Before gains tex and expenses. Figures as at January 10, 1980. At the beginning of every year the IC News Letter selects a number of shares (generally six) for capital gain over the following twelve months — its Star Nap Selections.

The chart above shows the cumulative 12-month performance of each year's Nap Selections over the last 23 years, including that of the 1979 selections. If you had invested £1,000 in the 1957 Nap

Selections and reinvested the proceeds at the end of each year in the new annual selections, your initial £1,000 would now be worth

£263,007 (before gains tax and expenses) against a mere £1,920 if you had Invested in the FT index and £5,632 if you had managed to

in addition to its annual Nap Selections, the IC News Letter gives regular weekly share recommendations and investment advice. The

overall record shows that its recommendations have beaten the index by a wide percentage margin averaging well into double figures on an annual basis. The News Letter also has en impressive track record with its general market and profit-taking advice over the years, as supported by the many appreciative letters received from subscribers.

supported by the many appreciative letters received from subscribers. An outstanding feature of its advice over the past year has been its strong advocacy and expanded coverage of oil shares, and its range is now being extended further to enable its subscribers to obtain the maximum benefits from the recent lifting of UK foreign currency controls and the exciting new opportunities arising from this.

The IC News Letter, published every Wednesday, is available on postal subscription only. Use the coupon below to order your subscription now, starting with the 1980 Nap Selections.

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ICNL Naps

Retail Price Inde \$5,632*

RKT boosts payout 650% while slipping £276,000

second half left taxable profit of Robert Kitchen Taylor £276,000 lower at £1,903,000 for the year to September 30, 1979. However, stated earnings per 10p share emerged 1.2p higher at 34.7p and the net total dividend is heing stepped up near 64 times. Sales fell from £20.11m to

£17 02m The company, whose activities include knitwear manufacture and textile merchanting, is now olecing increasing emphasis on its autumn business.

As a result, it is expected that the pattern of profits will revert to that seen in earlier years whan the major contribution came in the second half.
This contrasts with 1978-79

when £1.01m (£581,000) came in first balf and £895,000 (£1.6m) in the second six months. The improvement in earnings was due largely to the purchase of the minority interests in RKT Textiles, and were after e tax charge of £677,000, against £779,000.

A net final of 7p lifts the total to 10p compared with 1.5435p. At midvear the directors said that on the basis of current trad-ing they were confident but did not expect profits to be ahead of the previous year's record. For the 12 months the direc-tors consider the company per-

Merchanting and t nderwear continue thermal thermal underwear is being mede both in the UK and in the suc-cessful Amarican subsidiaries.

It was another busy day on the stock market as both giltedged and equities settled down after the previous day's sharp rise. Lex looks at Hill Samuel's decision to withdraw from Germany, which comes only weeks after Kleinwort Benson's move to buy a German bank. Full year figures from SGB show impressive growth, though the shares slipped on the market's disappointment over the dividend. Finally Lex considers Consolidated Gold Fields' diversification plans in the light of its U.S. acquisitinn. On the inside pages there are comments on Gough Cooper. Status Discount, Brooke Tool and Wellman Engineering. Redundancies at Lesney mark annther downhill milestone in the UK toy industry, while issue news includes the rights issue from Premier Oil and the offer by Keep Investment Trust.

provided in the accounts, as an extraordinary item, to relocate some ectivities and curtail others. The full benefit from three times. Profits are down, these moves will be realised in 1981, the directors add.

As already known cash reserves of £1.3m are also being used to acquire, for trading purposes, a package of six properties in Central London After minorities of £29,000 (£236,000) and the extraordinary

debits (£93,000 credit) attributehle surplua came out at £1.06m, against £1.26m. A professional valuation of

rormen saustactorily in the diffi-cult trading conditions prevail-ing in textiles. comment

Taylor's way of celebrating the end of dividend controls. Despite cessful Amarican subsidiaries. record profits in 1978, the payout revaluation of office property Since year end trading has not was still constrained by passed could provide a useful asset been easy and £150,000 bas been dividends in previous years. This boost.

three times. Profits are down due to a worse year in textile merchanting, when the company found its fashion sense failed to match market demand. But nervous eyes need not look back thermal underwear provides a firm manufacturing base, where demand is currently growing at some 30 per cent annually. The company is also seeking to stabilise earnings by the acquisi-tion of long-lease central London office property. The small rise in earnings per share reflects the bargain the company got by huy-ing out minority shareholders in RKT Textiles. It paid some £800,000 for the sbares, and has this year alone. P/e on stated earnings is 4.4, reflecting the stagnant profits. But overdue

strengthen their market positions A 650 per cent boost to 10p for seen over £300,000 earnings in the say. Further investment in the full year is Robert Kitchen this year alone. P/e on stated

Wellman advances but steel strike spoils full year forecast

from the engineering dispute, pre-tax profits of Wellman Engineering Corporetion edvanced from £338,970 to £544,698 in the six months to September 30, 1979.

Successful efforts are being made to overcome the effects of the strike and higher interest rates, say the directors, and there would bave been grounds for optimism that the forecast of a f2m surplus for the full year could still be met. But they point out that no estimate can be made of the damaging effect of the current steel strike.

The interim dividend is raised from 1.265p to 1.6p—last year a total of 2.675p was paid on total pre-tax profits of £1.03m

to £66,833, and associates losses this year is going to be bard to price of 50p, unchanged ye of £23,917 (£21,422). Tax takes hit The interim forecast has day, is not unduly artificial.

stated earnings per 25p share up from 1.6p to 2.29p.

As in previous years, the 39.7 in the eight months to the end As in previous years, the 39.7 per cent owned Indian sub-

sidiary has made a loss in the first balf, but the directors anticipate that its full year's trading will be profitable. Following an unsuccessful takeover bid last year, Redman Hennan International owns 28.9 per cent of Wellman

comment

Events since August have into the U.S. coal gasification market more important than ever. It had become fairly clear during the battle against Redman finally commissioned only last Heenan's 70p-per-share offer that week. The gamble (as Redman Wellman was going ex-growth in saw it at least) has yet to pay The six months' surplus the UK and since then the group off. Meanwhile, the erstwhile includes seven weeks' contribution from a new U.S. subsidiary and is struck after a halving of investment income from £112,521 defence target of £2m pre-tax per cent suggests that the share to £66,833, and associates' losses this year is going to be bard to price of 50p, unchanged yester-

of November and the impact of the AEWU stoppage is by no means over. Worse, shortages in special steel categories are already making themselves felt. The route into North American energy conservation through the £5.17m acquisition of IEBD, however, has also been blocked, if temporarily, by strikes. Cater-pillar's plant at York, Pennsylvania, was to provide the sales showplece for Wellman's coal arguably made Wellman's entry gasification equipment but Caterpillar's own industrial problems meant that the plant has been closed sinca September and was

Concentric makes good start

The first three months at believe that this purchase may shire District Council (£im). Concentric were up to expectations and the future had been profitable acquisition.

Set fair for a satisfactory year. On a much smaller scale, we have moved positively into the baye moved positively into the concentration of Kensington and Chelsea (£im), Knowsley Metropolitan Borough Council (£im), South Yorkshire Passen-However no one knew when the steel strike would end or what effects it would have on industry generally, said Mr. John Perks, speaking at the AGM for the

first time as chairman. He commented that the company had a management team and labour force that was able to respond speedily, so it was well set to meet whatever situa-

"We believe that those com-panies which invest now will have the edge over those who do not. Consequently we are not changing our plans to invest about £2 to enhance existing technologies and provide funds to develop and utilise new technologies."

As part of its expension policy the group acquired Henley cil (£1m), Monklends District Council (£1m). City of York (£1m). Foundries, manufecturer of grey iron castings, in October: "It (£2m) Fife Regional Council looked as if we were going (£1m), City of Glasgow District against the stream, but we Council (£1m), South Stafford-

bave moved positively into the manufacture of electronic and micro-processor controls.

Yearlings fall to 15%

The coupon rate on this week's hatch of local enthority one year bonds has dropped iths of e point to 15 per cent. The bonds are issued at par and mature on January 21, 1980.

This week's issues are:-City of Aberdeen (£½m), Cannock Chase District Council (£½m), Cotswold District Council (£{m) Highland Regionel Council (£1m), Monklends District Coun-

ger Transport Executive (£\m), Tunbridge Wells Borough Council (£im), City of Lincoln (£im), Rushmoor Borough Council (£1m), Bury Metropolitan Borough Council (£1m), Castle Morpeth District Council (£1m), Kirklees Metropolitan Borough Council (£im), City of Wakefield Metropolitan District Council (£im), Borough of Llanell (£150,000), Maldon District Council (£im), London Borough of Newham (£im). City of Bradford Metropolitan Council (£1m), West Oxfordshire District Council (£1m), Boston Borough Council (£1m), Colwyn Borough Council (£1m), Borders Regional Council (£im), London Borougb of Brent (£1m). City of Chester (£1m), Gateshead Borough

Council (£½m), Metropolitan Borough of Rotherham (£1½m).

ISSUE NEWS

£4.2m rights as recovery is forecast by Premier Oil

remier consolidated timeles remier, worch has been yesterday announced e 54.2m involved in the drilling of six rights issue and said it was dry we'lls in the the North Sea planning to lead an oil exploration consortium in a bid for new in two further wells this year. In the driving areas of the North Sea in the further wells this year. tion consortium in a bid for new tion consortium in shell/Esso's block 25/15 and the consortium in Shell/Esso's block 25/15 and the consortium in a bid for new tion consortium tion con and managing director, said that the group would be seeking new

aycreage in the central part of the North Sea. This is the area where the Energy Department is expected to offer licences on a lovel type of anction basis. Bidders will be asked to

ditions they would be prepared to accept. It has been suggested that companies might be asked to submit a cash bid but this idea has been attacked as unworkable by the UK Offshore Operators

Premier hopes to be the operator of a group comprising mainly British companies in this area of the North Sea. In addition it is expected to join another consortium with major U.S. interests for a bid in the English

Mr. Shaw said the company was heartened by the indication from Government that smaller UK companies would be given a reasonable proportion of the blocks to be offered in the next, seventh, round of licences.

In addition Premier will begin drilling in May the first well on its promising onshore concession in Sutherland, Scotland, close to the inshore Beatrice

Much of the £4.2m raised by specify the blocks they would the one-for-four rights issue will like to see offered and the congo towards the group's drilling programme this year.

Mr. Shaw said that Premier was likely to have a stake in 26 to 30 new wel drilled worldwide. Most of these will be sunk in the U.S., in Texas and the Rocky Mountain Overthrust area, but there could be one or two gas wells drilled in Italy and an Anstralia.

Mr. Shaw said that he expected the group to move into the black by the end of the current year. he company incurred a net loss of £104,646 et the halfway stage in December 1979.

The group bad considered the possibility of selling part of its £8.2m stake in LASMO, but decided to bold it for long term

to 48p where the discust stands at 47.9 per cent. The bares have risen very sharply in the last few weeks they are 37p in December when thefunding was first planned—which the com pany says is why the issue is being underwritter despite the very large discoun.
The bankers to the issue are

Arbuthnot Lathar

comment Premier's rights document is meticulously detiled on current meticulously detried on current developments art it is probably for this reason hat the market held the price firm yesterday, instead of easing it back. The company has and some recent successes in a States and has interests in a stries of promising areas including a neutral gas interests in 5 sines of promising areas including e netural gas project in Ity and large tracts of land in exas and Utah. One of the mitves behind this arrange fc e strong balance sheet by 2e time the Seventh Round taes place (probably before My). The group has borrowing of less than £0.5m. rights issue may be e desire to borrowing of less than than, and will pay them off shortly. Premier is a capital growth company which has been building up a significant base, but ma not be a major profits earner for some years. The group's decision to hold on to its LAMO stake should prove

Keep Investment coming to the market on Monday

Shares in the Keep Investment Bernard van Engel, senior semed a good moment to do rust, only the second new partner of Milnes, Lumby smething like this," be said ivestment trust to be launched Bustard, a firm of Liverpool . Mr. Tollemache added that the Trust, only the second new investment trust to be launched since 1973, are to go on sale to the public next Monday.

Altogether 10m ordinary for subscription at 10p per share payabla in full on application. The directors say firm undertakings to apply have already been received for 7m sbares or 70 per cent of the praposed Issue. If successful the new issue will raise £1m.

issue reveals that trust funds will be invested mainly in a range of listed ordinary UK shares— the aim will be to create "a balanced portfolio to achieva a satisfactory growth in income

The prospectus for the new

and capital appreciation.

Chemicals Holdings (formerly agreed to subscribe to the new Reabrook Investment Trust); Mr. issue. Jonathan Chaytor, senior partne Chaytor Steele and Company a firm of Liverpool charters accountants; Mr. William Wals, a partner with Milnes, Lumby Bustard, and Mr. Simon Dole, a Windsor solicitor.

Stockbrokers to the issue are the London firm of Ramael, Zorn Mr. Michael Tollerache, of Raphael. Zorn explained last night that Mr. Howard and certain of his friends and backers thought it was a good

stockbrokers. The other directors irrectors felt it was a good tima are Mr. G. P. C. Howard, an o "test the water." A number-executive director of Arrow of Rapheel, Zorn'a clients have

> Referring to the investment trust sector, where share prices currently sell at an average discount to assets of more than 30 per cent, Mr. Tollemache agreed that "there was not much chance of anything exciting happening to shareholders unless there was a takeover." He added, however, that he thought investors would be attracted to the management of Keep.

The last new investment to ba launched was Fulcrum atisfactory growth in income time to launch a new in estment Investment Trust in May last trust appreciation."

With interest ries high year. Before that there had The chairman of Keep is Mr. and markets on the lov aide, it been no new launches since 1973.

New policies aimed at stopping profits slide at Carpets Intl.

CARPETS INTERNATIONAL, which reported a sharp fall in profits in tha first balf of 1979, is to re-structure its management organisation and introduce greater central supervision of its UK subsidiaries, it announced

Mr. J. M. Carpenter, the group chairman, in announcing the new management control policy, said: "Trading conditions are changing substantially, as wit-nessed in 1979—a difficult year for the carpet industry."

But be said that Carpets International had unique abilities to maintain leadership in the market place and combat the threat of rising imports. A poor export performance and increased import penetra-tion hadly hit CI's 1979 interim results. CI's profit before taxation fell by rather more than balf, from £1.4m to £670,000 fur the balf year to June 30. Sales rose from £56.84m to £58.67m in value tarms but were static when messured by were static when measured by

volume. CI said et the time that exports bad been adversely affected by the strength of sterling, making a pre-tax loss of £170,000 com The City of Coventry has raised £1m of 151 per cent bonds at par dated January 13, 1982.

Exceptional costs of £400,000

had also been licurred in the setting-up of a chromotronic labour-saving coour process but technical problems had largely been froned-out.

There are no plans to appoint a new chief executive.

Mr. Carpenter said that the new approach towards management gave the company more flexibility and it would be able to respond

Then, in December 1979, the Carpets Manufacturing Company. a subsidiary of CL announced a re-structuring plan which involves the loss of 230 jobs at Kidderminser where it employs

2,700 peopls. Under the new structure of CI the group chairman, Mr. Carpentes, will preside over the group executive committee and e newly formed operations review committee. The latter will review strategic plans and

more quickly to changing cir-cumstances, and apply group resources more effectively to the growth areas with the highest profitability.

Under the new structure of CI	SPAIN	٠.	
		Price	
the group chairman, Mr.	January 15	. %	+ 00
Carpenter, will preside over the	BATCO Bilbao	208	11
group executive committee and	Sanco Central	220	
	Rence Evenier	244	-3
e newly formed operations review	Banco Exterior	209	
committee. The latter will	Banco Hispano	208	-2
review strategic plans and	Banco Ind. Cet.		-1
budgets	Banco Madrid	1.75	•
	Banco Bantander	239	
Cl said that other steps were	Banco Urquijo	172 .	-5
being taken to strengthen the	Banco Vizcaya	209	
central management structure of	Banco Zaragoza	205	
the group and new eppointments	Oragados	205 100	
	Espanole Zinc	58	
would be announced soon.	Fecsa	57.2	407
Previously Mr. Arthur White-	Gal. Preciados		+3
head chief executive of UK	Hidron		
operations of the group, headed	Hidrofa	a1.5	-0.2
	Iberduero	60.7	+0.5
the group executive committee.	Patroleos	113	_ :
CI announced yesterday; however.	Patroliber	73	_ : .
thet he had resigned from the	Sogefias	115	11.
	· alaronica ,,	53 .5	-1.2
company on medical advice.	Union Elect.	62.5	+1.3

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labour training program. It's flexible and custom designed to accommodate your company's needs. Potential employees are recruited, tested and trained with pre-employment and on the job instruction in the skills you specify. And training is coordinated. with your plant opening schedule. By assuring you of a well-trained work force, Quick Start can save both time and money. Which is what you'd expect from the state with a business-

like environment - Georgia. For more information, in Brussels, contact Mr. John Turbiville; Georgia Department of Industry & Trade, Square de Meeus, 20; 1040 Brussels, Belgium: Telephone: 512-81-85 or 512-82-93; Telex: 23083

Or contact Mr. Milt Folds, Commissioner; Georgia Department of Industry & Trade; 1400 North Omni International; Atlanta, Georgia 30303. Telephone: (404) 656-3556; Telex: 54-2586 GA INTL ATL.



BASE LENDING RATES

	a nampios bank
mro Bank 17 %	■ Hill Samnel
American Express Bk. 17 %	C. Hoare & Co+1
ienry Ansbacher 17 🕊	Hongkong & Shanghai 1
P Bank Ltd 17 %	Industrial Bk. of Scot. 1
rbuthnot Latham 17 %	Keyser Ullmann 1
ASSOCIETES Cap. Corp 17 of	Knowsley & Co. Ltd
Banco de Bilhao 17 oz	Lloyds Bank 1
ank of Credit & Crace, 17 of	Edward Manson & Co. 1
Sank of Cyprus 17 of	Midland Bank 1
ank of N.S.W 17 of	Samuel Montagu 1
anque Belge Ltd 17 🛣	Morgan Grenfell
auque du Rhone et de	National Westminster 1
le Tamise S.A 171 04	Norwich General Trust 1
arciays Bank 17 of	P. S. Refson & Co 1
remar Holdings 7.td 12 of	Rossminster 1
Fit. Bank of Mid. East 17 or	Ryl. Bk. Canada (Ldn.) 1
rowd Shipley 17 oz	Schlesinger Limited 1
anada Perm't Trust 17 oz	E. S. Schwab 1
ayzer Ltd 17 of	Security Trust Co. Ltd. 1
adar Holdings 17 oz	Shenley Trust 1
narrernouse Japhet 17 oz	Standard Chartered 1
DOILLartons 17 of	Trade Dev. Bank 1
. E. Coates 17 oz ·	Trustee Savings Bank 1
ODSOLIDATED Credits 17 oz	Twentieth Century Bk. 1
o-operative Bank +17 or	United Bank of Kuwait I
orinthian Secs 17 og	Whiteaway Laidlaw 1
he Cyprus Popular Bk. 17 %	Williams & Glyn's 1
	Voulehius Rusk
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	Members of the Accepting Ho
irst Nat. Fin. Corp 1810	Committee.
irst Nat. Secs. Ltd 18 %	 7-day deposits 15%, 1-n
₽ 91. N 81. 39C3. L(CL 1X V£.	daopaits 15%%.

0.80 a.20 F.25,40 -e 17 Ξ 1.20 1.20 2 20 10 4.70 0.80 5,30 5,11 F.70.70 F.120 Fr.6690 1.90 0.90 0.40 F.120 2.50 0.50 10 | e.10 | 82 | 269 | 1,20 | 0.10 | 10 11 so 4.20 0.10 F,117,30 10 11 40 1134 " 478 360 ı 10 -TOTAL VOLUME IN CONTRACTS

EUROPEAN OPTIONS EXCHANGE

This document includes particulars given in compliance with the Regulations of the Council of The Stock Exchange for the purpose of giving information with regard to the Company. The directors have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement herein whether of fact or of opinion. All the directors accept responsibility accordingly.

Application has been made to the Council of The Stock Exchange for all the 10.000,000 Ordinary Shares of 5p each of The Keep Iovestment Trust Limited hereby offered for subscription to be admitted to the Official List.

A copy of this Prospectus, having attached thereto the documents specified in paragraph 7 (h) below, has been delivered to the Registrar of Companies for registration.

The Keep Investment Trust Limited

Offer for subscription of 10,000,000 Ordinary Shares of 5p each at 10p per share payable in full on application

The subscription list for the Ordinary Shares now being offered will open at 10.00 a.m. on 21st January 1980 and will close at 3.00 p.m. on 31st January 1980.

INTRODUCTION

The Directors have established that there is o certain demand for a new investment trust and beve formed the Company with a view to meeting this demand. Interest in the Company has been expressed by a number of prospective investors and as stated above the Directors have received firm undertakings to apply for 7,000,000 shares representing 70 per cent. of the proposed issue.

INVESTMENT POLICY

The Directors intend to invest the funds available mainly in a range of listed ordinary shares, primarily of companies incorporated in the United Kingdom. Thoir aim will be to create a balanced portfolio to achiava a satisfactory growth in income

The Directors intend that the Company will so conduct its affairs as to satisfy the conditions required for it to be approved as an investment trust in accordance with eaction 359 of the income and Corporation Taxes Act 1970 (as amonded). Accordingly, the Company will not retain in respect of any accounting period more than 15 per cent. of the income it derives from shares and securities. The distribution as dividend of surpluses arising from the realisation of investments is prohibited by the Company's

Articles of Association.

Not more than 10 per cant. of the assets of the Company or, if the Company has any subsidiaries, of the Company and its subsidiaries ("the Group") (before deducting horrowed money) will be lent to or invested in the securities of any one company (other than those of another investment trust which has been approved by the Inland Revenue or which would qualify for such approval but for the fact that it is not listed) including loans to or shares in any subsidiary of the Company.

Not more than 15 per cent of the assets of the Company or Group (before deducting horrowed money) may be invested in

(a) securities not listed on any recognised stock exchange (for this purpose eccurities dealt in "over-the-counter" in the United States of America and Canada are treated as listed securities); and

(b) boldings in which the interests of the Company and any subsidiaries of the Company exceed 20 por cent of the aggregate of the equity capital (including any capital baving an element of equity) of any one listed company (other than another investment trust which has been opproved by the Inland Revenue or which would qualify for such approval but for the fact that it is not listed).

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The Directors will ensure that the Company will not be a close company immediately following the completion of the issue now being made. On the basis that the Company is approved as an investment trust in accordance with section 359 of the Income and Corporation Taxes Act 1970 (as amended), any chargeable gains realised by the Company will, under the existing system, be ebargeable to corporation tax at the rate of 10 per cent. Under existing legislation, a shareholder disposing of his shares in-the Company would be entitled to a tax credit of up to 10 per cent. of the amount of any gain, computed in accordance with section 94(4) of the Capital Gains Tax Act 1979. Any prospective chareholder who is unsure shout the significance for tax purposes of an approved investment trust should consult bis own tax edviser.

DIRECTORS

Bernard van Engel, J.P. (aged 67) the Chairman, is the senior pertner of Milnas Lumby Bustard, members of the Stock Exchange, and has been a member of Tho Stock Exchange since 1946. During this period he served as a member of the Committee of the Liverpool Stock Exchange. He is non-executive chairman of Arrow Chemicals Holdings Limited ("Arrow"), formerly Reahrook Investment Trust Limited, of which be bas been a director for 15 years.

Mr. G. P. C. Howard (aged 38) has been an executive director of Arrow for 3 years. Prior to that time he worked in the investment management field, where be west an investment analyst for a major Unit Trust group, and subsequently in the corporate finance field, before joining Arrow.

Mr. J. Chayton (aged 42) has been a non-executive director of Arrow for 10 years: During this period he gave investment advice to the Board. He is senior partner of Chaytor Steele & Co., of Liverpool, chartered accountants, and manages a portfolio of trusts on hehalf of clients.

Mr. W. A. Walls (aged 40) is a stockbroker and a partner in the firm of Milnes

Mr. W. A. Walls (aged 40) is a stockbroker and a partner in the firm of Milnes Lumby Bustard. He was for 2 years s director of Arrow and has been a member of The Stock Exchange since 1968. For a number of years he has advised various pension funds

and be also manages several private family trusts:

Mr. S. D. Doyle (aged 36) is e selicitor and e partner in the firm of Charsley Harrison of Windsor. He was for 2 years a director of Arrow.

The Directors expect to declare in each year dividends payable on or about 30th September, and 31st March. Total annual dividends are expected to amount to between 85 per cent, and 95 per cent, of all the Company's income available for

distribution in each year.

An intorim dividend in respect of the six months ending 30th June, 1980 will be paid on or about 30th September, 1980. The amount of this dividend will depend on the rate of investment of the Company's funds and, therefore, the income available for distribution cannot be predicted with accuracy at this stage.

AUDITORS AND ACCOUNTS

Price Waterhouse & Co. have occepted appointment as anditors of the Company. Annual accounts will be made up to 31st December. The Company's first period of account anded 31st December 1979.

STATUTORY AND GENERAL INFORMATION 1. Share Capital

The Company was incorporated in England under the Companies Acts 1948 to 1976 on 25th June, 1979 with an authorised shara capital of £100 divided into 100 shares of £1 each, two of which were issued nil paid. Its name was changed to The Keep Investment Trust Limited on 9th January, 1980. At an Extraordinary General Meeting beld on 9th January, 1980 a resolution was passed: (i) increasing the authorised share capital of the Company to £500,000 by the creation

of 499,900 sbares of £1 each; and

(ii) sub-dividing each of the shares of £1 each of the Company into and designating them as 20 Ordinary Shares of 5p each.

PROCEDURE FOR APPLICATION

Applications must ha for a minimum of 3,000 shares and must be made on the forms provided in occordance with the terms thoreof.

Each application must be accompanied by a separate cheque for the full amount payable on spplication and be forwarded to Coutts & Co., 15 Lombard Street, London EC3V 9AU.

Cheques, which must he drawn on a bank, or branch thereof, in and he payable in England, Scotland or Wales, or drawn on a clearing bank hranch in the Channel Islands or the Isle of Man, must he made payable to The Keep Investment Trust Limited and crossed "Not Negotiabla."

The Directors reserve the right to present all chequas for payment on receipt and to retain letters of acceptance and excess application monoys pending elearance of applicants' cheques. Due completion and delivery of an Application Form, secompanied by the necessary cheque, shall constitute an undertaking that the cheque will be honoured on first presentation; a warranty to that effect is contained in the Application Form. The Directors reserve the right to reject any application in whole or in part.

Accountants' Report

Silkhouse Court, Tithebarn Street. Liverpool L2 2LJ. THE KEEP INVESTMENT TRUST LIMITED

("the Company")
(Incorporated in England under the Companies Acts 1948 to 1976)
(Company Number 1432636)

SHARE CAPITAL

Authorised

Issued and to be issued fully paid (if offer fully subscribed)

500,000 In Ordinary Shores of 5p each INDEBTEDNESS

At 16th January, 1980, the Company had outstanding no loan capital and no betrowings or indebtedness in the nature of borrowing, including bank overdrafts and liabilities under acceptances, normal trado bills or acceptance credits, mortgages, charges, hire purchase commitments, or guarantees or other materiol contingent liabilities.

FIRM UNDERTAKINGS

Firm undertakings to opply have been received in respect of 7,000,000 shares. These will be accepted in full unless the offer is over-subscribed, in which case these acceptances will be scaled down pco rata to total applications received.

DIRECTORS

Bernard van Engel, J.P., Flat 11. The Garth, Waterford Rosd, Oxton, Greville Potrick Charles Howard, Castle Rising, Kings Lynn, Norfolk, Jonathan Chaytor, F.C.A., 11 The Psddock, Aughton, Ormskirk, Lsncs. William Anthony Wolls, 36 Hesketh Road, Southport, Merseyside. Simon Dudley Doyle, 51 Almo Road, Windsor, Berkshire.

SECRETARY AND REGISTERED OFFICE William Henry Dovid Lumby, F.C.A., Martins Building, 4 Wster Street, Liverpool L2 3UF.

REGISTRARS AND TRANSFER OFFICE
Hodgson Morris & Co., Registrars Department, 41 North John Straet,

BANKERS

Coutts & Co., 1 Old Park Lane, London W1Y 4BS. BROKERS

Milnes Lumby Bustard, Martins Building, 4 Water Street, Liverpool L2 3UF Rapbsel, Zorn, 10 Tbrogmorton Avenue, London EC2N 2DP. AUDITORS AND REPORTING ACCOUNTANTS Price Woterhouse & Co., Chartered Accountonts, Silkhouse Court, Titheharn Street, Liverpool L2 2LJ.

SOLICITORS Herbert Smith & Co., Wotling House, 35/37 Cannon Street, London ECAM

The Directors,

The Keep Investment Trust Limited We report that The Keep Investment Trust Limited was incorporated on 25 June.

16 January, 1980.

1979 and bas not yet commenced trading. A balance sheet, prepared of 31 December.
1979, on which we expressed an unquelified opinion, showed issued share capital of £2 nil paid and neither assets nor liabilities. No dividends have been declared or paid. Yours faithfully, Price Waterhonse & Co., Chartered Accountants.

3. Articles of Association The Articles of Association of the Company contain (inter alia) provisions to the following effect:

(1) A director shall not be required to hold any shares of the Company by way of qualification. A director who is not a member of the Company shall nevortbeless be entitled to attend and speak at General Meetings. (ii) The directors may repay to any director all such reasonable expenses as he

may incur attending and returning from meetings of the directors or of any committee of the directors or General Meeting or otherwise in or obout the husiness of the

of the directors or General Meeting or otherwise in or obout the husiness of the Company.

(iii) The directors may from time to time spoolnt one or more of their hody to he the holder of any executive office on such terms and for such period as they may determine and, without prejudice to the terms of any contract entered into in any particular case, may at any time revoke any such appointment.

(iv) The ordinary remuneration of the directors will from time to time be determined by an Ordinary Resolution of the Company. Any director who holds any executive office or who serves on any committee or who otherwise performs services which, in the opinion of the directors, are outside the scope of the ordinary duties of a director, may he paid such extra remuneration by way of salary, commission or otherwise as the directors may determine.

(v) A director may be a party to or he in any way interested in any contract or arrangement or transaction to which the Company is a party or in which the Company is in any way interested and he may hold and be remunerated in respect of any office or plece of profit (other than the office of Auditor of the Company) under the Company or any other company in which the Company is in any way interested, and be (or any firm of which he is a member) may act in a professional capacity for the Company or any such company and be remunerated therefor and in such case as aforesaid (save as otherwise agreed) he may retain for his own absolute use and benefit all profits and advantages accruing to him thereunder or in consequence thoreof.

(vi) The statutory provisions concerning the retirement of directors on reaching a specified age or requiring any special formality in connection with the appointment of any director over a specified oge do not apply to the Company.

(vii) Subject to certain exceptions of director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise thon by virtue of his interests in shares or debentures or other securities or otherwise in or through the Company. A director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.

(viii) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be divided and considered in relation to each director separately and in such case each of the directors concerned (if not otherwise debarred from voting) shall be entitled to vote (and he counted in the quorum) in respect of each resolution except that concerning bis own appointment. Borrowing Powers

The Directors may exercise oil the powers of the Company to horrow money and to mortgage or charge all or any of its undertaking and property (both present and future) including uncalled capital. The aggregate amount for the time being owing by tha Group in respect of moneys borrowed by it (exclusive of moneys borrowed by one member of the Group from any other momber) may not at any time, without the prior sanction of the Company in general meeting, exceed a sum equal to twice the consolidated share capital and reserves (as described in the Articles) of the Group or, until and accounts of the Company for the year ending 31st December, 1980 have heen published, £750,000. Votes of Members

On a show of hands every member who is present in person shall bove one vote

and on a poll every member who is present in person or hy proxy shall be does not a for every share of which he is the holder.

1. Interests of Directors and Others in the Shares of the Company Immediately after completion of this offer for subscription, the interests of the Directors and their familios in the share capital of the Company, in accordance with their firm undertakings to spply, as will be shown in the Register maintained pursuant to the Companies Act 1957, will be as follows:

Ordinary Shares of 5p Non-Beneficial Name of Director Beneficial B. van Engel G. P. C. Howard 30,000 J. Chaytor 25,000 S. D. Doyle

Save as oforesaid, the Directors are not aware of ony person who will, immediately after completion of this offer for subscription and assuming it is fully subscribed, he beneficially interested in 5 per cent. or more of the issued sbare capital of the Compony. Material Contracts
No contracts (not heing contracts in the ordinary course of husiness) bave heen

entered into hy the Company sinco its incorporation.

(i) Save as disclosed horein:

(a) no share or loon copital of the Company has been issued for cash or for a consideration other than cash and no such capital of the Company is now proposed

(h) no commissions, discounts, hrokerages or other special terms have been granted by the Company in connection with the issue or sale of eny share or loan capital. (ii) No share or loan capital of the Company is undor option or is agreed conditionally or unconditionally to he put under option.

(iii) No material issue of shares (other than to shareholders pro rata to existing holdings) will be made within one year and no issue will be made which would effectively alter the control of the Company without in either case prior approval of the Compeny in general meeting.

(Iv) The Company has no subsidiaries.

(v) The minimum amount which in the opinion of the Directors must be raised by the issue of Ordinary Shares is £650,000 of which approximately £40,000 is required to provide for the payment of preliminary expenses and the estimated expenses of the issue, with the balonce being used as funds for investment. Assuming full acceptence, funds ovailable for investment are expected to amount to approximately £960,000.

(vi) The Directors are of the minimum amount that on receipt of the minimum amount.

(vi) The Directors are of the opinion that on receipt of the minimum amount specified in parograph (v) above, the Compony will have sufficient working capital

(vii) The costs, charges and expenses of and incidental to the issue of this prospectus and of the application for listing, including printing end advertising costs, Stock Exchange, accountancy and legal fees, are estimated to emount to approximetely £30,000 (inclusive of value odded tax) and are payable by the Company. In oddition, capital duty et the rate of 1 per cent. will be payable on the total amount subscribed (£10,000 if full subscription). Preliminary expenses are estimated to amount to £250 and are also payeble by the Company.

(viii) No amount or benefit has been paid or given to any promoter of the Company and none is intended to be paid or given. (ix) No Director has or is proposed to bave a service contract with the Company.

(x) The Company is not engaged in any litigation or arbitration and no litigation or claim is known to the Directors to be pending or thteatened against the Company.

(xi) No Director of the Company bas or bas had in the two years immediately preceding the publication of this prospectus any interest in any assets acquired, disposed of or leased to or by, or proposed to be acquired, disposed of or leased to or by the Company.

(xii) No Director of the Company is moterially interested in any contract or arrangement subsisting at the date of this prospectus end which is significant in relation to the husiness of the Company.

(xin) Price Waterhouse & Co. have given and bave not withdrawn their written consent to the issue of this prospectus with the inclusion herein of their report set out above in the form and context in which it is included. (xiv) Mr. J. Chaytor is a partner in the firm of Chaytor Steele & Co., which firm will provide accountancy services for an annual fee.

(xv) Messrs. B. van Engel and W. A. Walls are both partners in the firm of Milnes Lumby Bustard, which will receive Stock Exchange commissions.

(xvi) The aggregate emoluments of the Directors of the Company for the periodended 31st December, 1979 were nil. It is estimated that the aggregate emoluments of the Directors for the year ending 31st December, 1980 will not exceed £5,000.

7. Documents for Inspection
Copies of the following documents will be available for inspection at the offices of
Horbert Smith & Co., Watling House, 35-37 Cannon Street, London ECAM 5SD during
normal business bours on any weekday (excluding Ssturdsys) until 31st January,

(s) the Memoraudum and Articles of Association of the Company;
(b) the report of Price Weterhouse & Co. and their written consent referred to ahove; (c) the audited accounts of the Company for the period ended 31st December, 1979.

THE SUBSCRIPTION LIST WILL OPEN AT 10 A.M. ON MONDAY, 21ST JANUARY, 1980 AND WILL CLOSE AT 3.90 P.M. ON THURSDAY, 31ST JANUARY, 1980.

THE KEEP INVESTMENT TRUST LIMITED

OFFER FOR SUBSCRIPTION

of 10,000,000 Ordinary shares of 5p each at 10p per share payable in full on application.

FORM OF APPLICATION

To: THE KEEP INVESTMENT TRUST LIMITED Amount of cheque *Number of shares

for which application enclosed (see notes 1 & 2 below)

3,000 shares

*Applications must be

for e minimum of

Having paid the above-mentioned sum being the amount payable on application for the stated number of Ordinary shares 1/we hereby apply to

purchase that number of shares.

I/We agree to accept such sbares or any smaller number in respect of which this application may be accepted subject to the Momorandum and Articles of Association of the Compsny and to the several terms and conditions contained in the Prospectus dated 16th January, 1980. I/We request that you issue to me/us a renounceable Certificate for that number of shares or such smaller number as aforesaid. I/We authorise you to send such contained the prospection of the property of the statement of the prospection of the property of the such statement of the property of the prop Certificate, together with a cheque for any amount overpaid, by post of my/our risk to the address (first) given below.

I/We warrant that the accompanying cheque will be paid on first First or Sole Applicant (1) Usual Signature.....

All Christian Names or Forenames Surname (state Mr., Mrs., Miss or Title)..... Address in full (including postcode)

A separate cheque must accompany each application

FOR OFFICE A corporation moy complete undor band by a duly authorised officer who should state his representativa capacity. All joint applicants must sign. Acceptance No. JOINT APPLICANTS (if any) (2) Signature Number of shares (Mr., Mrs., Miss or Title) Address in full (including postcode) (3) Signature Amount payable (Mr., Mrs., Miss or Title) Address in full (including postcode) All Christian Names or Forenames Surname (Mr., Mrs., Miss or Title)

Address in full (including postcode)

Copies of this prospectus with Forms of Application may be obtained from:

Martine Bullding, Raphael, Zorn,

4 Water Street. 10 Throgmorton Avenue,

Cheques (drawn on a hank, or branch thereof, in and payeble in England, Scotland or Wales or drawn on a clearing bank branch in the Channel Islands or the Isle of Man) must be made payable to "The Keep Investment Trust Limited" and crossed "Not Negotiable."
 This form should be completed and sent to Courts & Co., 15 Lombard Street, London EC3V 9AU, together with a remittance of 10p per share

No receipt will be issued for the amount paid on application but an acknowledgement will be forwarded either by renounceable Certificate (together, if applicable, with a cheque for eny smount overpaid) or by return through the post of a cheque for the amount paid on application.

2. 27

CHANGE

1

Acceptance of applications will be conditional upon the whola of the issued ordinary shara capital of the Company being admitted to the Official List by the ordinary shara capital of the Company being admitted to the Official List by the ordinary shara capital of the Company being admitted to the Official List by the collection of The Stock Exchange on or hefore 31st January. 1980, subject only to allotmant, and npon the minimum amount specified to paragraph 6 (v) above allotmant, and npon the minimum amount specified to paragraph 6 (v) above being subscribed. Moneys paid in respect of applications will be returned if such being subscribed. Moneys paid in respect of application will be returned in a admission is not granted by that date and in the meantime will be returned in a admission is not accepted, or is accepted for fewer separate bank account. If any application is not accepted, or is accepted for fewer separate bank account. If any application moneys or the balance thereof, shares than the number applied for, the application moneys or the balance thereof, shares than the number applied for, the application moneys at the applicant's risk. The subscription list will open at 10.00 a.m. on 21st January, 1980 and will close at 3.00 p.m. on 31st January, 1980.

Cheques will not be presented for payment until the minimum amount specified in paragraph 6 (v) above has been reached. Renounceable certificates, which will be renounceable up to and including 28th February, 1980, will be despatched to successful epplicants on or before 7th February, 1980. Full instructions regarding renunciation and splitting will be set out on the renounceable certificates. Definitive certificates in respect of renounced shares will be despatebed on 1st April, 1980.

Milnes-Lumby Bustard,

Liverpeol L2 3UF. London EC2N 2DP.

VAT rise and TV strike hit Status Discount

HIGHER VAT made trading at ones closed. Total sales and January 1 as a separate company Status Discount difficult in the second six months ended November 30, 1979, and pre-tax profits 634,000 sq. ft. previously. ber 30, 1979, and pre-tax profits for the period felt from £2.17m to £1.65m. This left the retail discount store operator with £4.06m at the year-end, com- six during the rest of the yearpared with £3.79m previously, on turnover up some £10m to

In July, when reporting a £0.79m rise in profits for the first 28 weeks, the directors confidence against rising turnover, dently anticipated that their cutting margins from 15 to 8 per marketing policy would enable cent. But this impression is due the company to achieve a satis-factory level of trading. to the board's curious decision not to break out the costs of

In the event, the campany was frustrated by the 1t weeks tele-visioo strike, which affected profitability.

Since the year-end, trading has been satisfactory considering the uncertain financial climate, the directors state, and they are confident that the company is suffi-ciently strong in terms of management and the quality of its merchandise to prosper.

Stated after-tax earnings slipped from 82p to 6.1p per 10p sbare for the year, but the dividend total is effectively lifted from 0.8952p to 2.1p net, with a final of t.4p.

Interest charge increased from £136,000 to £558,000 and tax rose sherply from £0.47m to £163m

sberply from £0.47m to £1.62m due to the inclusion of a deferred tax provision of £t.18m

There were extraordinary credits of £284,000 (£221,000) and the retained surplus emerged lower at £1.88m, compared with £3.18m. Fifteen new stores were opened in 1979 and six small

Since the year-end, the com pany has opened five stores and plans to open at least a further

comment

At first glance the full-year figures from Status Discount are dispiriting. Second balf profits shifting to metric kitchen equipment during October and November. Taking into account the sell-off of imperial stock, the profit and loss eccount for the serond half was bit to the tune of some £600,000, which puts the margins in a rosier light. The company sees turnover up this year by around 15 to 20 per cent. On last year's margins, a profit of £5m or more is indicated. But a cautious note must be soundad over expanding competition in pre-febricated furniture, which now acrounts for some 90 per now acrounts for some 30 per cent of Status sales. Straitened consumer spending may also have a serious impact in home improvement, in which case Stotus will beve its work cut out to significantly better this year's profits. The p/e of 9.1 on stated earnings, and yield of 5.4 per cent et 57p, may be on the generous side,

C. T. BOWRING

The insurance broking office of C. T. Bowring (London) et Romford was reconstituted from

9% boost for Fuller's profits

BOTH turnover and pre-tax profits of Fuller, Smith and Turner, independent brewer, increased by 9 per cent in the halfyear to September 28, 1979. With turnover improving from £8.6m to £9.43m, pre-tax profits came out at £810,814 against £741,890. The rompany is deperting from the practice of recent years of paying two interim dividends, in January and April, by paying a single interim dividend of 3.5p, which equals the two interims in 1979.

Interest charges were lower at £42,849 against £77,011, and this reflects the temporary use of funds earmarked for the brewery redevelopment. Charges during the second half will increase as the funds ere used. Major Lewis Turner, the chairman, says that sections of tha

redevelopment programme are starting to come on stream but It will be late in 1980 before the group feels any benefit from the increased production. He says that, with this in mind, it is difficult to predict with any confi-dence the results of this close company for the full year. Profits own customers are in difficulties. The workload is capital share ere 17.72p (16.16p). more broadly based with the

TAXABLE PROFITS of Brook BOARD MEETINGS

Tool Engineering (Holdings) ex-panded from £324,000 to £495,000 in the year to September 30, 1979, on increased turnover of £6.44m, compared with £5.7m. Sales would beve been some £500,000 higher but for the fire at Boxford Machine Tools, the directors say.

Brooke Tool

nears £0.5m

At midway, the surplus was ahead from £120,800 to £212,000. The directors say the current year bas started satisfactorily and order books ere very healthy. They are optimistic about the

They are optimistic about the group's prospects, given reasonship industrial relations on a national level.

The net total dividend is raised by nearly 15 per cent to 2.8875p (2.5125p), with a final of 1.6775p.

After tax of £74,000 (£48.000), and an extraordinary credit of and an extraordinary credit of £102,000 this tima, the ettributable balance came through higher

Pre-tax profits were struck efter interest £110,000 (£92,000).

at £523,000, against £277,000.

Brooke Tool bas shaken off the effects of a major fire and the that margins have improved by almost one and half points to leave pre-tax profits 50 per cent to the good. The balance sheet will show gearing of less than e quarter, giving ample scope to pursue the acquisition trail, and the order book looks sufficiently healthy to assuma further strong growth. While the overhanging

The following companies have extified detes of Board recedings to the Stock Exchange. Such meetings are usually held for the purpose of cossidaries dividends. Official indications are not available as to whether dividents are interims or fisals and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interime—Allied Callaids Letrager

TODAY
Interime—Aliled Celleids, Letraset
letemeticesi, Magnet end Sputhates,
Stock Conversion and Invastment
Trust, Teta sed Lyle, Western Board
Mills.
Finals—Alicon, Amalgameted Tin

Mines of Nigorio, Countrysido Properties, Thomas Franch, Roo Stakis, Trusthouse Forte, United States and General Trust.

	FULURE MAJES		•
	Interims—		
	Burt Boulton	Jan.	24
	Cray Electronics	Jan.	21
•	Joees Stroud	Jee.	22
	Longton Industrial Holdrege		
	MFI Furniture	Jee.	22
	.Finals— `		
	D.C. Investments	E-L	٠.

Broadbent acquisition opening the doors to the ollfield supply industry, a growing client list in the buoyant aerospace industry and a strong position in tha piston slitting tools market which provides eccess to the U.S. circumstances seem capable of denting. But the shares were unchanged at 42p yesterday where the fully taxed p/a is over steel strike threatens a difficult 11. That looks high enough for third land possibly fourth) the present, particularly since quarter, the group is confident the August placing should have that it will not be impeded until setisfied institutional appetites in e thin market, although a yield of more than 10 per cent offers

£1m housebuilding profit boosts Gough Cooper

nousebuilding sector, to a £1.03m uncertainties. particularly profit, has boosted taxable profits of Gough Cooper and Co. to £1.62m for the year ended September 30, 1979, more than

And the directors state that despite the more difficult economic conditions that seem likely to prevail in 1980, they are cantiously optimistic that good results can be echieved in the current year.

At the balfway stage profits were ahead from £285,000 to £501,000 and the board was confident that full-year results would be at least as good as those for 1976-77—profits then were £1,25m on turnover of

Stated earnings for 1978-79 are well up at 17.39p (6.56p) per 20p share and the dividend total is 5.6p (5.36p) net—unchanged in gross terms—with a final pay-ment of 3.5p.

THEHL OF OTOP		
	1978-78	1977-78
	£000	£000
Turnover		. 18,608
Housebeildieg	11.309	11.035
the developed land	1.351	1.226
Undavaloped leed		
Plact hire		3,970
Builders' merchoets	2.336	1,796
Specialist services		
	729	
Rental lecoms		
Tredieg profit	2,598	817
Housebuilding	1.026	•342
· Usdeveloped land	350	98
		:513
Pleat hire	876	
Property investment	576	. 550
Buffders' reerchants	. 77	-83
Spec. servicos loss	307	85
	975	313
Interest		
Pre-tack profit	1.623	504
Tex increased conserver	. 255	†22
Net profit	-1,368	526
	,	10
Misority islorest		
Attributable	1.368	616
feterire div	165	.156
Fieel div.	275	266
. Indi Ate: Hittinghouse		

* Lpes. † Credit.

interest rates, it was felt inappropriate to increase the distribu-

tion for 1978-79. Despite a severe winter and treble the previous £504,000. set-backs in the specialist. Turnover expanded from services division, the directors £18.61m to £23.25m. say the year's results are better

than predicted.

Full edvantage was taken, they explain, of the private bousing market and plant hire again significantly increased its contri-

bution to profits.

Property investment profitability was restricted by nonrepetitive expenditure.
As et September 30, share-holders' funds stood at £13.04m (£12.16m), and borrowings totalled £7.46m (£5.8m).

comment

The Gough Coeper showing is a pleasant surprise leced with some foreboding about the current year. Such is the state of the housing market in the UK that housing market in the UK that even though the group has achieved more than tripled pre-tax profits, the Board has decided just to maintein tha dividend. This latter news held the share price rise to 2p yesterday at 78p. The company's three main interests beve done well. Housebuilding was a major earner once tha group shifted from contract to private housebuilding. Plant bire did well and property investment also came through, mostly from the group's trading estate in the Dartford area. But interest charges, like profits, also more than tripled. There are obvious doubts over what may happen to house sales and interest rates this year but there seems little to be

optimistic about. Meantime the shares are backed by a near 11 per cent yield and p/e, on stated aarnings, of 42:

E. Elliott dives to £37,000

A significant reduction in margins and the effects of the engineering strike resulted in taxable profits of E. Elliott Silic. ing from £104,000 to £37,000 in the half-year to September 30,

However, the directors expect considerable improvement in the second half, although the fullyear surplus will not match the £291,914 achieved last time, they

the effects of the steel strike. Principal activities of the group are moulding in plastics, and manufacture of optical goods, garden implements and hollo-

ware products. Turnover for the half-year increased from £2.48m to £2.85m. After tax of £19,000 (£54.000). stated earnings per 25p sbare are down from 2.4p to 0.86p. The net interim dividend is beld at ip-last year's total was 3.5p.

Hales Prop. improves midway

WITH increases in both sales and rental income, pre-tax profits of Hales Properties went ahead from £155,335 to £190,005 in tha six months to September 30, 1979. The directors are confident that the full year's result will compare favourably with 1978-79. when there was a pre-tax surplus of £385,029.

of £385,029.
Sales for the half year rose from £260,000 to £370,670, and rental income from £140,393 to £161,892, and the profit is struck after reduced interest of £27,042 (£29.020).

The interim dividend is raised from 0.8993p to 1p—last year e final of 2.2073p was paid.

After six months tax of £98,803 (£80,774), steted earnings per 25p share are 4.8p (4p).

G. T. Japan down £0.2minterim halved

A halved interim dividend and a decline in pre-tax profits from £386,757 ta £183,022 is announced by G. T. Jepan Investment Trust for the half year to December 31, 1979. After-tax earnings per 25p

sbare are shown down at 1.77p (3.71p) basic and at 2.07p (3.63p) fully diluted. The interim dividend is cut from 2p to 1p net-last year's final was 5p.

Gross income decreased from £898,831 to £694,953, including unfranked investment income of £426,699 (£755,439) and interest on loans and deposit of £266,119 (£111.375). Tax charge was down from £201,114 to £94,739.

Bridport margins under 'considerable pressure'

ALTHOUGH turnover for the further acquisition of a majority first few months of the current interest in J. and W. Stuart, had year .bed been satisfactory, the also proved successful. mixture of products of Bridportthey found that margins have the fishing industry, particularly been under considerable in the UK, was currently pressure, Mr. R. W. Holder, the disappointing. chairman, said at the AGM.

He stated that directors hava continued to take vigorous steps and keen competition, by constantly seeking to improve productivity and looking closely sections of the business where the company was not achieving a satisfectory return on assets. Mr. Holder sald that 1980 "is not going to be an easy year for-manufacturing industry in the UK, and the company is not

exempt from the national climete." The acquisition of Brownell and Co., of the U.S., manufecturer of lines, twines, fishing netting, was achieving all thet directors had hoped, and a (2.1p), per 20p share.

Order position in the U.S. was Gundry (Holdings), netting and good, the chairman said. In cordage group, had not been as some sections of the UK beneficial as directors hoped and business, it was satisfactory, but

"The group managing director and his team have their sights clearly on achieving an adequate to offset the effect of low margins of the business," he stated.

They were therefore reinforcing successes and were prepared to face up to a disposal or reduction if no suitable return on assets seemed possible within the foreseeable future. He edded that part of the group's extruded netting business had been disposed of on satisfactory terms.

For the year ended July 31, 1979, profits slipped from He was confident, however, £781,000 to £763,000, on turnover that the directors were "awsre of £14.1m (£12.39m). After lower of the problems and tackling tax, however, and minorities, the them sensibly and energetically." attributable balance emerged bigher et £642,000 compared with

Earnings were 7.27p (6.26p)

THE STOCK EXCHANGE **TOWARDS**

A NEW EUROPEAN DIMENSION

A LECTURE BY DR. MARIO DIANA INTERNATIONAL INVESTMENT MANAGER BANCA NAZIONALE DEL LAVORO

TODAY AT THE FISHMONGERS HALL 5.15 p.m.

> Please confirm to: Carlo Bassi

Il Sole-24 ORE / Financial Times Room 516 Tel: 01-248 2669 Telex: 885198

M. J. H. Nightingale & Co. Limited 27/28 Lovet Lane London EC3R SEB Telephone: 01-638 8651

	9-80 9-80	Gross Company Price Change Div (p)		P/E
98	73.	Airsprung Ord	9.2	4.31
50	38	Armitage and Rhodes, 38 — 3.8	9.7.	2.51
7225	185	Bardos Hill 225 +2 13.8	5.1	6.6t
101	63	Deborah Ord 92 - 5.0	5.4	.10.1
353	146	Deborati 172% CULS 350 - 17.5	5.0	_
92	. 32	Frank Horself	8.8	5.7
129	100	Frederick Parker 108 - 12.8	71.7	8.41
. 156		George Blair	15.4	
	45.	Jeckson Group 59 - 5.2		_ 3.51
163	115		6.2	10.2
300		Robert Jenkine		· 7,91
,232	175	Torday Limited	6.4	5.61
34	163	Twinlock Ord		4.01
- 80	70	Twinlock 12% ULS 75 - 12.0	16.0	
56		Ueilock Holdinge 55 - 2.8	- 47	31:7
84			5.3	5.4
		W. S. Yeetes	8.2	7.2
		† Accounts preserved poder provisions of SSAP	:	

Rand Mines Limited

A Member of the Barlow Rand Group

Gold Mining and Colliery Company Reports for the Quarter ended 31st December, 1979

(All Companies incorporated in the Republic of South Africa).

Office of the Secretaries of the undermentioned companies in the United Kingdom: 40, Holborn Viaduct, London EC1P 1AJ:

HARMONY GOLD MINING COMPANY, LIMITED

ISSUED CAPITALI R13 442 325 IN 26 004 656 SHARES OF 50 CENTS EACH Dre milied (ti: Gold produced (kg) Yield (g.1): Uranium pula treated (ti: Broduced (kg): R89 148 R160 666 R71 490 R23 861 R13 535 ROS 033 RS0 016 R35 023 R1 244 R02 036 R2 726 R26 326 R44 625 R17 666 R12 986 R22 052 R3 242 Quarter ended 31.12.1979 12 246 metres

3 49e 3 254 6.6 6.163 103 015 16.06 3 278 3 660

R. J. J. FOURIE

BLYVOORUITZICHT GOLD MINING COMPANY, LIMITED

issued capital: R0 006 006 in 24 060 006 shares of 25c each Report of the directors for the quarter ended 31st decem 441 667 86 671 0.155 nije presed (t: nije produced (kgl: figid (kgiti: financial Results (R000's) R24 398 R3 654 R871 R28 323 R16 944 R\$6 190 R\$6 512 R16 666 **R12 679** R26 67e **23 023** R2 067 R1 238 ended 31.12.1979 30.9.1979

6.505

cm.g t cm.kg/1 2 422 19.56

DURBAN ROODEPOORT DEEP,

6 260 R6 012 R00 R134 (R829) Wrier anded 31.12.1976 7 629 metres Quarter ended 20.9.1979 6 673 metres

STATE LOAN REPAYMENT nmount of R713 600 became repayable dering nt 31st December, 1979 was R2 239 006. For and on butalf of the board. R. A. LAWRENCE | Directors

WELGEDACHT EXPLORATION COMPANY, LIMITED

SUED CAFITAL: R4 090 013 IN SHARES OF 45 CENTS EACH FORT OF THE DIRECTORS FOR THE QUARTER ENDEO 31: 178 DN THE OPERATIONS OF THE COMPANY AND ITS PROFIT CEFTIRE TAXATION

N, ZOLEZZI

WITBANK COLLIERY, LIMITED

DIVIDENO

CAPITAL EXPENDITURE GENERAL

R. J. J. FOURIE

EAST RAND PROPRIETARY MINES

Profit (R066'al: FINANCIAL RESULTS (R000's)

ISSUED CAPITAL, R3 666 000 IN SHARES OF R1.00 EACH REPORT OF THE DIRECTORS FOR THE QUARTER ENDED 81ST DECEMBER, 1978

PROFIT ESFORE TAXATION ... R8 757

821 079 6,636 17 734 946 469

R. B. MACGILLIVRAY DIRECTORS

Copies of these quarterly reports are obtainable from the United Kingdom Registrars and Transfer Agents Charter Consolidated Limited, P.O. Bax No. 102, Charter House, Park Street, Ashford, Kent TN24 SEQ.

BIDS AND DEALS

Hiram's £80m bid for Highland is extended

BY JOHN MOORE

roves.

The project the state of the st

rim halte

Ir pan Interment

under

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12.79

14 17 1

SOFT BUILDING

HIRAM WALKER-GOODERHAM and Worts of Canada, the distilling group, is extending its 180m offer for Highland Distilling group, is extending its 180m offer for Highland Distilling group is extending its 180m offer for "The Famous Grouse Brand," until January 29.

So far, Hiram Walker has received a low level of acceptances for its 130p per share cash offer which was due to close this 180m or ight of access and Baxter which is a private company and the subsidiary of and Baxter which is a private company and the subsidiary of and Baxter which is a private company and the subsidiary of and Baxter which is a private company and the subsidiary of another private company."

Highland sells new and mature which it has a 35.4 per cent of the undistributed arrived from "The Robertson and Baxter, in which it has a say of the assets of Robertson of a cold store of im cubic feet, with blast freezing facilities, at Clandalkin, County Dublin, for completion around the end of 1980.

ANOTHER QUEENS MOAT DISPOSAL Queens Meat House has sold Petwood Moat House, Woodhall stake, for inclusion in "Cutty Spa, Lincs, to Executive Leisure for E200,000. The hotel was acquired in 1970 for £104,000.

Bignows Grouse" Brain with e capacity of the arrived from "The Pamous Grouse" he say of the assets of Robertson of a cold store than 15m cubic feet.

Will be the building and operation of a cold store of im Cubic feet, with blast freezing facilities, at Clandalkin, County Dublin, for completion around the end of 1980.

ANOTHER QUEENS MOAT DISPOSAL

Queens Meat House has sold Petwood Moat House, Woodhall stake, for inclusion in "Cutty Spa, Lincs, to Executive Leisure for E200,000. The hotel was acquired in 1970 for £104,000.

Barbara Highland taking arriving for the more than 15m cubic feet.

Will be the building and operation of a cold store of im which is a private company."

Highland sells new and mature which it has a 35.4 per cent of the more than 15m cubic feet.

Will be met by bank or other loans.

Tempor of the assets of fobertson and Baxt ment "does not provide sufficient evidence, facts and opinions (in particular about assets and prospective profits and dividends) for you to form a judgment as to the merits of the offer."

in cash (with a loan note alternative) unchanged.

Mr. Hatch tells sbareholders that the only specific points which Mr. Macphail has made relate to the question of Robert.

Instant Starter Engineering says that due to heavy trading losses in the subsidiary, Exel Electronics, it was sold in November to ITR Holdings for a consideration wholly in cash. relate to the question of Robert-son and Baxter. Mr. Hatch points out that Highland has withheld two significant points: first, the fact that Robertsoo and Baxter stockholds mainly grain whisky which is readily available; and secondly, the basis for the prices which Highland obtains for the

malt whisky it supplies to the Mr. Hatch concludes that the commercial reality of close company, Irish Cold Stores, will trading links, and the fact thet be around £2m, with Silvermines Mr. Macphall is managing director of Robertson and Baxter, and its partner. Tempoo International, each putting up around commercial reality of close.

develops on a joint venture basis with Robertson and Baxter "The Famous Grouse" blended Scotch

INSTANT STARTER SELLS EXEL

SLIVERMINES DIVERSIFIES INTO **COLD STORES**

Dublin-based Silvermines is extending its industrial interests into a new field by taking a 50 per cent stake in a new cold

stores company.

The overall investment in the

Queens Meat House has sold Petwood Moat House, Woodhall Spa, Lincs, to Executive Leisure for £200,000. The hotel was acquired in 1970 for £104,000.

Disposal of this unit is in line with group's already stated with group'e already stated policy of concentrating on com-mercially situated hotels offer-ing modern, first-class facilities.

RECEIVER SELLS A. R. SUGDEN

Mr. Ian Partington, receiver and manager of A. R. Sugden and Co. (Engineers), manufacturer of hi-fi equipment, announces thet the company's business has been sold to Backer Sound of Blackhurn. Mr. Partington is e partner in

chartered accountants Peat, Marwick, Mitchell and Co. J. SHAKESPEARE

In connection with the offer being made by Wheway Watson (Holdings), preference sbare-bolders of Joseph Shakespeare and Co., in order to preserve reasonable continuity of income, are to receive a dividend, for the four months ended January 31, 1980, of 1.65p per share and associated tax credit, payebla on

Palmer leaves Gill & Duffus

international commodity broker, yesterday, merchant and processor, is to be announced later this week.

The sha to 250 whi

The move follows the resigna- last Thursday. tion of main Board director and chairman of Gill and Duffus Limited, Mr. Graham Palmer. Mr. Paimer, who has been with the company over 25 years, met the Board yesterday to discuss compensation terms. His salary was believed to be over \$50,000 per at Lynton

The group said yesterday that "there bad been a situation building up for some time." It added that Mr. Palmer had not been happy with the management style of the new chairman, Mr. Thomas Aitken, "There was months to September 25, 1878. Mr. Thomas Airen, There was no boardroom split and Mr. Paimer will be succeeded by someone within Gill and Duffus Limited, It was stated.

Gill and Duffus Group announced last night that, in negotiations with W. R. Grace and Co. It is planning to number of the state of the stat

co. luc., it is planning to pur-chase the whole of the share capital of Cacaofabrick de Zaan B.V. The purchase is subject to further negotiation, investigation, the approval of the boards of directors of both companies, and the execution of a mutually ecceptable agreement.

The purchase price, to be paid in cash, is expected to be of a size which requires the approval of Gill and Duffus shareholders. Cacaofabriek de Zaan is in-corporated in Holland and oper-

etes from a larga factory in Zaanstead. Its business comprises the manufacture of cocoa butter, cocos powder and cocoe liquor A further announcement is to be made as soon as possible.

A NEW chairman of Gill and pany; is today expected to issue Duffus Limited, the cocoa and a statement clarifying the cocoa products merchant part of group's trading position. The Gill and Duffus Group, the statement had been expected

The shares fell a further 2p to 26p which compares with 40p

months to September 25, 1979, but rents receivable increased from £1.34m to £1,6m.

Profits were hoosted by £39,000 from property dealing and associate profits amounted to £83,192 (£92,103). Tax accounted for £213,848 agaiost £242,229, leaving net income higher at £236,272 (£222,599).

The interim dividend is un changed at 1.2p-last year's total was 2.8p from pre-tax revenue of £1.06m, and the Board expacts to pay the same this year.

Stated earnings per 20p share are given as 2.64p against 2.55p. Commenting on the halfway figures, Mr. M. Lambert, chair-man and managing director, says the rise in interest rates and charge to revenue in respect of certain properties previously regarded as beld for, or in tha course of development, have

LESNEY RATIONALISATION PROGRAMME

Another savage cutback in Toytown workforce

The finance charge in the first

the cost of borrowing for tha whole of the previous 12 months.

Stocks are thought to be as much as 30 per cent bigber than the

1978-79 year-end figure of £30m.

Hence the rationalisation

THE ANNOUNCEMENT that but significant neverthless. Lesney Products is to make nearly 20 per cent of its UK The simple explanation for Lesney's difficulties is that sterling's current strength is pricing workforce redundant emphasises the precarious state of the Uk the company'e Matchbox die-cast toy industry which last year was model cars, plastic assembly kits worth more than 600m in terms of retail sales.

The employees affected are the latest casualties in one of the worst performing sectors of the worst performance with the worst

Over the past six months finance the acquisition of AMT Corporation, a U.S. company, and British toymakers have been implementing a savage rationalisa-tion programme. Airfix Indust-Metal Castings (Worcester). Deht levels, consequently, bave soared, and year-end borrowings will undouhtedly strain the halance sheet; at the end of 1978-79 horrowings of £22.5m, of which about \$7.50 m. 1978-79 horrowings of £22.5m, of the strain of the tion programme. Airfix indust-ries have announced the loss of 943 jobs at its Meccano fectory in Liverpool, Berwick Timpo bas shed about 230 workers follow-ing the closure of two loss-making subsidiaries, whila Tri-ang Pedigree in Wales bas pruned its workforce to a mere 25 in an attempt to put the com-pany back on its feet. which eboot £12m was short term, represented 50 per cent of shareholders' funds. half of the current year—at £1.5m—was just £0.14m less than

pany back on its feet. Elsewhere, Dunbee Combex -Marx has divested itself from its troublesome U.S. activities while Joho Waddington-in the red at the halfway stage to October, 1979—is in the process of cutting back its loss-making programme which is intended to bring production more into line with current demand. Videomaster subsidiary. Other toy companies are also reporting leaner times.

For the major manufacturers. The redundancies, which all of which are substantial exporters, the stronger pound bas been a severe body blow. and several hundred part-time workers, will enabla Lesney to

in Lesney's case, where ex-ports accounted for more than 40 per cent of 1978-79 sales, the unfavourable exchange rate has added an extra 30 per cent to the retail selling price of its toys in the U.S., tha compeny's biggest single market. The impact has more modest programme. KITCHEN QUEEN

EDINBURGH TST.

Single market. The impact bas not been as great in the important West European markets a salary saving of around £5m U.S., manufacturing and carpets com-has horrowed a further U.S.\$2m.

of Germany, Holland and France.

offset, initially, by redundancy and other costs.

The extent of redundancy costs depends very much on the length of service by individual employees. In Lesney's case, the company is relatively young, having being floated in 1960 after eight years' existence, and few employees will have been with the company for extended

The average length of service is thought to be roughly four years which, at current rates of pay, would indicate a redundancy bill of around £2m. This is slightly less than the projected redundancy costs at Meccano, where employees bave generally longer service records.

All this will weigh heavily in the current year. First-half profits have already shown a dive of nearly £3m to £0.49m and the maintained interim dividend was uncovered.

If, as seems likely, rationalisation costs are brought into the current yeer's eccounts,

the prospects for a final dividend

Lesney's former success in toys was largely based on the development of the Matchbox die-cast model car but it has since branched out into plastic constitution between solutions. construction kits and slot-car

cut toy production by about 20 Die-cast toys are still its bread and hutter, contributing up to 65 per cent of group sales. It is an open question whether Lesney will be allowed to ettempt a recovery as an independent company or whether an outsider, possibly from the U.S., will make an opportunistic

Castlefield Rubber shares jump 40p

Castlefield (Klang) Rubber involve Castlefield becoming a Estate, the Malaysian rubber and shareholder in the development oil palm fruit producer in which
Harrisons and Crosfield has a
large interest, is considering
selling one of its rubber estates
for housing development. The

gor on the houndary of Kuala Lumpur.

The company said yesterday The company said that the that it believed there was considerable development potential in consent and a further statement this area. Part of the deal might would be made.

spareholder in the development

shares responded to this news Castlefield bas a total of 7,373 with a 40p jump to 380p.

The company announced that the company announced that it was talking about the possible. In the year ended June 30, 1979 sale, to a development company, the trading surplus on rubber and 40 oil palms. of the 1,918 acre Castlefield fell from £281,837 to £252,478 but Estate which is situated at Selan, this, was more than made good

by a jump in the oil palm surplus from £76,938 to £228,398. The company said that the

ANGLOVAAL GROUP

Mining Companies' reports — Quarter ended 31 December 1979

All companies mentioned are incorporated in the Republic of South Africa. All financial figures except those for Loreine Gold Mines, Limited for the quarter ended September 1979 and the financial year, are unaudited. Rate of exchange on 31 December 1979 R1,00 = £0,54 £1,00 = R1,85.

Development results given are the actual sampling results. No allowance has been made for adjustments nacessary in the valuation of the corresponding ore reserves. Shereholders requiring copies of these reports regularly each quarter, should write to the Secretaries, Anglo-Transveal Trustees Limited, 295 Regent Street, London



DIVIDENDS ANNOUNCED Corre- Total Date payment payment div. Diamond Stylusint. 0.3. G. T. Japan Trust ...int. March 6 Hales Props.int. Robert Kitchen Taylor March 6 10 March 31 Lynton Haldings ...int. 1.2 April 14 2.1 March 7 Wellman Eng. Con. int. 1.6 Dividends shown pence per share net except where otherwise states

*Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ 1.6p final forecast. a Half-year results to be announced shortly.



ANOTHER RECORD YEAR

PROFIT CLIMBS BY 35% TO £145 MILLION Preliminary Announcement

Year ended 29th September, 1979 119,343 Group Turnover 10,692 Group Profit before Tax 14,514 9.926 11,310 Group Profit after Tax 49,084 39.974 Shareholders' Funds

Return on Shareholders' Funds measured by Group profit 26.7% before Tax Earnings per share measured by Group profits after Tax and minorities

Profit. The profit before tax of the SGB Group for the year ended 29th September, 1979, was again a record at £14.514.000.

Our four major operating divisions in the U.K., the Scaffolding (Great Britain) Group, Youngman Group, Mechanical Plant Group, and HSS Hire Group, meds substantial progress, each increasing profits by over 40 per cent. Overseas, the profit is slightly better than in the previous year, even after making additional provisions against certain of our overseas investments.

Dividend. At the annual general meeting to be held on 18th March, a final dividend of 5.1p per share will be recommended resulting in a total dividend of 8,25p for the

Scrip Issue. The directors will also propose a scrip issue of four shares for every five held. The full Report and Accounts will be posted to

shareholders on Monday, 11th February, 1980.

SGB Group Limited, Mitcham, Surrey CR4 4TO.



<u> </u>							
rieska Copper Min	100			Hartebeestfontein	:		
Proprietary) Limite				Gold Mining Co. Ltd			
used capital 54 000 000 shares of 50 cents	eech.			issued capital 11 200 000 shares of R1 each			
	Quarter	Courter ended .	4 months		Quarter	Oxerter	6 months ended
	anded 31 Oec.	30 Sept.	anded :		31 Dec.	30 Sept.	31 Dec.
erating results	1979	1579	7979	Operating results	. 1979	1979	1979
milled	- 781 000	728 000	1 509 000	Gold •			
genetrates produced				Ore milled	719 000 : . 8-041-45	9 090,84	4 419 000 16 132,28
pper t	27 932	23 242	51 174	Yleid g/t	11,2	11,5	11,4
c t	30 090	22 839	52 929	Yield	126,39	88,98	112.85
ncentristes despetched				Profit	42,39 84,00	42,15 58,83	42,27 70,58
pper t	20 265	28 648.	48 913	Revenue R000	90 750	89 385	160 135
t	29 868	23 384	53 252	Profit R000	30 440 80 310	29 545 39 840	69 985 100 150
encial results	B000	8006	8000	Profit R000	100 310	39 040	100 100
erating profit -,	3 259	4 285	·7 545	Uranium oxida			
n-mining income	259	276	535		718 090	694 000	1 412 000
		4 500	0.000	Pulp treated	102 743	102 793	205 536
sustpaid	a 519 311	4 562 346	8 080 657	Yield kg/t	0,14	0.15	0.15
	3 207	4 218	7 423	Financial results	R000	ROOD	R000
sprioryeer adjustment		1 538	1 638	Working profit — Gold mining	60 310	39 840 .	100 150
profit	3 207	2 979	6 886	Profit from sales of uranium oxode,			20.00
	4 028	45		Pomte and suiphunc acid. Non-mining ricome	10 138 3 154	10 389 2 578	20 627 5 832
n repayments	2 048	2108	4 073 4 156	Transming Rooms			
				ACT COMMO	73 602	52 907	126 50
	e 07e ,	. 2 153	a 229	Interest peld.	200	43	243
				Profit before taxation and State's share			
relopment				of profit	73 402	52 864	126 266
snoed	e 635	5 801	13 236	Taxation and State s share of profit	42 563	30 673	73 326
				. Profit sher taxation and State a share			
enclui				of profit	33 749	22 191	5Z 940
parches, which very from quarter to mated receivable value. Operating profit				Capital expenditure	4 829	2 884	7 713
I price determinations on despatches me				Loans received	4 231	. 4.019	a 250
uring the querzer the Company redeems	d 40% (R2 686	466) of the or	utstanding 6%		598	(4: 125)	t537
les.				Loan repayments	71	(1, 135)	142
entica				Dividends	33 600	_	33 600
texation was payable as the Company h	es an amoscoil in	12.					
		-			34 269	(1 064)	33 205
nital expenditure			4000	State loan levy	3 051	2 187	. 5 248
standing commisments at 31 December	x 1979 are esti	mend at 80	874 000 (30				
tember 1979; R1 502 000)		<i>,</i>	٠.	Osvelopment -			
				Advanced	19 078	15 787	21.866
				Sampling results on Vast reef :			
				Sempled	1 728	2 219	4 044
				Channel width	58	. 59	- 61
				Channel value — gold O/I	29.a 1 716	29,2 1 72e	29,1 1 72
astern Transvaal				— uranium oxide '. kg/t	0,41	0,47	0,44
	. 1 44				. 23.66	27.62	25,83
onsolidated Mines				Dividend			
and capital 4 310 676 shares of 50 cents	hacp.			Interm dividend No. 48 of 300 cents per s	turn was itema	ed m Oscawka	r 1079 and -
	Guarter	Quarter	months	payable in February 1980.		Geverate	. 1010 mai
	ecded . 31 Dec.	30 Sept.	anded 31 Dec.				
rating results .	1979	1079	1079	Capital expenditure	4070		
d .				September 1979: R5 799 000).	F TU/S BY BST	imated in R5	010 000 (30
miliad t	89 700	81 000	170 100				
d recovered kg	558,31	556,23 6.9	1 114,54				
d	6.3 72.68	53,20	68,17				
R/t milled	. 24,54	25,41	24,86				
R	48.14 e 47e	37,79 6 119	43,21 11 595				
1000 R000	2 187	2 058	4 245	0	. i	4.0	
fit R000	4 289	- 3 061	7 350	Consolidated Murc	uison r	ta.	
-34.4		2000	. R000	Issued capital 4 160 000 shares of 10 cents	esch .		
ancial results	R000	2 061	7 350	retail of the control	Quarter	Description	Rnanch
ricing profit — gold raining	4 289 47	88	136	<u>}</u>	ended	Querter	ended
				1	31 Dec	30 Sent	37 Dec

2 003

. 210

155

2 006

1 322

cm.c			1 722
— uranium oxide ke			25.83
		, 21102	
Dividend			
Interim dividend No. 48 of 300 cents payable in February 1980.	per share was t	leciared in Oecemb	er 1079 and s
Capital expenditure			
Outstanding commitments at 31 Dec	cember 1079 as	n estimated in R5	870 000 CM
September 1979: R5 799 000).		•	
the second of the second			
		•	
Consolidated Mu		- 1 4-4	
		ı Lu.	
Issued capital 4 160 000 shares of 10 c	ents each		
	Deart	er Querter	Rnancla
	ende		endec
	31 De		31 Dec
Operating results	10		197
Ore milled	t 139 8	00 137 600	534 500
Antimony concentrates plus cobbed			
ore produced	t 55	6 e 082	20 08
Antimony concentrates plus cobbed			
ore sold	t 68	8 2 941	22 47
and the same of th			
Financial results ·	. RO	20 R080	8000
Sales of antimony concentrates less	- 564		
realisation charges Gold and silver sales	11		20 908
Sundry mining income		2 . 17	7
			
and the second second	88		
Working costs	. 37	26 3 675	14 064
Worlding profit	. 30	395	9 430
	,		9 43.
Finance charges ald schame rebase	٠.	_	
and sundry non-mining income		r7 · 82	52:
	313		3 950
Prospecting		H 477	3 354 154
circulations.			1.04
Profit before texasion	. 309	8 455	9 804
Taxation		8 (171)	2 156

626

826

1 518 2 912

4 431

7 848

2 830 4 150

6 990

205

Consolidated Murchison Ltd. -- continued

Gold revenue and production during the quarter improved because of the higher gold price and increased grade. Modifications to the metallurgical plant and the commissioning of a plant to recover gold from the sleg discherged from the Antimony Products (Proprietury) Limited plant will result in further increases in gold production in the near

The revenue from the sale of antimony concentrates brought into account sech quarter is based on actual shipments made, which can vary considerably from quarter

Final dividend No. 58 of 70 cents per share was declared in December 1979 and is payable in February 1980, making a total of 100 cents for the financial year.

ents at 31 December 1879 are estimated at R467 000

Loraine	Gold	Mines,	Ltd.
lasued capital 10:	366 986 sha	res of R1 each	

	Quarter	Quarter	Asst
Operating results Gold	ended 31 Dec. 1979	ended 30 Sept. 1979	ended 30 Sept. 1979
Ore milled	383 000	313 000	1 234 000
Gold recovered ko	1 365,74	1 692,70	6 512,39
Revenue	3.6 42.93	50.20	5,3 38,85
Costs	36.01	40.34	40.75
Profit R/t milled	6,92	8.85	(1,90)
Revenue	18 444 13 7 9 4	15 713 12 627	47 944 50 287
Profit R000	2 650	3 086	(2 343)
Financial results	R000	ROGO	R990
Working profit — gold mining	2 650	3 096	(2 343)
Stare essistance	_	(372)	5 O1 1
Profit from sales of uranium oxide and			
Non-mining income	. 15 . 12a	40 120	263 507
Tron-Paraganoune			
Stores adjustment, employee service	2 793	2 974	4 438
benefits and grassing of mine dumps .	~	438	438
Profit	2 793	2 438	4 000
Capital argandsture	1 039	866	2 499
Capital Experiences	1 000		2 400
Development			
Advanced	3 485	a 833	14 703
Sampling results: "9" rest			
Sampled m	50	302	764
Channel width	51 10. 9	53 3 . 5	54 30,6
cm.g/t	549	188	1 664
Sansal reef	168	636	1 924
Sampled	a	a a	324 2
Channel value	74.0	65.0	56,3
cm.g/t	592	533	. 473
Beburg reets			
Sampled	90 90	82 86	362 102
Channel value	4.0	2.8	3.9
cm.g/t	317	242	400
Total — all recis			
Sampled	308	1 014	3 040 31
Channel value	36 14.0	28 14.8	24.8
CILERRA VANUE	5 06	407	764
Production			
Underground operations were adversely af	factor he how	ing accident	Claims have
	nd a provisiona	amount has b	een included
			•
Texastion			فغمدما امسمه
No texation or State's share of profit was per	years as the CO	ниропу поз ава	
Copital exponditure Dustanding commitments at 31 December	m 1979 mm ≃	simated at R	B65 000 (30
September 1878 : R772 000).			

These reports have been approved by the directors of the respec-each case have been signed on their behalf by two of the directors

Gold profits featured by Western Areas

BY KENNETH MARSTON, MINING EDITOR

BOOSTED PROFITS highlight the latest batch of December 1979 quarterly reports from the South African gold mines in the Johanneshurg Consolidated and Rand Mines groups. As usual, Rand Mines groups. As usual, the average hullion price received during the period varies from mine to mine, depending on the timing of sales, but the prices are some \$100 per troy ounce up on the September quarter and run at around \$430.

The outstanding increase comes from the "Johnnies" group's Westero Areas which has trebled its net profit in the past quarter. A cootributing factor has been the sharp reduction in the tax charge, resulting from an acceleration in capital expenditure to R29.7m (£15.9m) which ranks as a tax

mine's milling grade would now now now prohably be reduced again this gandfontein 31,024 22,596 year—by taking more of the Wastern Areas 34,21a 11,759

lower grade material-in order to extend its operating life as far as possible. He added that the company was still confident of securing a uranium sales agreement which, ha said, seemed very close. Randfontein, which reports a

further improvement in opera-tions at tha Cooke plant, says that it is still unabla to explain
why the recent evaluation of
underground reserves at the old
Randfontein section of tha property gave such poor results when compared with past evaluations. Meanwhile, Investigations are continuing to determine the optimum exploitation of these reserves.

of last year.

* After deducting åtete sesietence evercleimed. † After receipt al State

The mine's latest quarterly net profit, shown in the following table, does not include an offset.

In Johanneshurg yesterday the Western Areas' financial director, Mr. Vivian Blane, said that the mine's milling grade with the milling grade with th

A strong quarter for Murchison

THE feature of the Anglo-Transvaal group's December quarterly cadmlum and bismuth has been reports is provided by the anti-mony and gold producing while, molyhdenum in coocentra-consolidated Murchison. Ship-tions of 0.08 to 0.1 per cent per ments of concentrates vary for quarter to quarter and after a quarter lo quarter and after a covered in Liaoning provinca, poor September quarter Mur- and a lead-zinc deposit, 1m tonnes

As a result the three months' net profits have been boosted to R2.5m. bringing the total for 1979 to R7.6m compared with a loss of R500,000 in 1978. Last year Murchison returned to the dividend list with a total distribution of 100 ceots (53.5p) and could do hetter in 1980.

The mine also increased its sales of by?product gold to the past quarter. It expects to achieve further increases in gold production in the near future as a result of the commissioning of a plant to recover gold from the slag discharged by the anti-

mine, sbipments of copper concentrates fell last quarter and
despite an increase in those of
linc concentrates working profits
for the period were lower. Howfor the net work forms a profit forms and bolding concessions
over an area apparently holding
encouraging metal values.

The option, for 49 per cent, is
held by Bear Creek Mining, a
held by Bear Creek Mining. over, the net profit figure exceeds that of the September quarter when earnings were reducd by a debit of R1.54m for treatment mines and mills more thao 500 charges which should have been tons of ore a day from small

holders of Loraine which has suf-ered a fall in its already low ore milling grade with a consequent Mioerales de Bolanos has been reduction in gold production near the surface and the full Hoisting accident-affected under-extent and value of the deposit round production and the short-on the con fall had to be made up by draw-ting upon more of the low-grade

Bear Cre

lauic.	Oéc. alr.	Sept.	June
Hertebesstfantsin.	R000 30,749	R000 22,191	R000
Loraine	2,793	2,436	144
Cons. Murchisen Priseka	2,500 3 207	626 2,678	7,00
East Transvaal † After recail	1,969 ot af S	1,445	1,48 f.

reserves of 250 tonnes of silver but the grades were different, has heen discovered in the Miyun with silver at 13 ounces per ton, Mountain area, north east of per cent lead, 7 per cent zinc Peking, according to the New and 4 per cent copper.

tonne of ore have been dischison's sales have caught up in of ore grading 10 per cent lead-the December period. of ore grading 10 per cent lead-zinc, bas been found in Hunan, zinc, bas been found in Hunan, the agency said.

> Kiena Gold, the Falconbridge unit developing a mine in north west Quebec, bas signed a letter of Intent with Teck Corporation for the toll milling of Kiena ore at the nearby Lamaque mice, nwned by Teck.

Kennecott eyes Mexican silver

KENNECOTT COPPER has taked an option to buy a minority stake mony plant.

At the Prieska base-metal producing im ounces of silver a mine, shipments of copper con-year and bolding concessions

encouraging metal values.

The option, for 49 per cent, is held by Bear Creek Mining, a subsidiary of the U.S. group. The Mexican company involved Minerales de Bolanos which mines and mills more thao 500 accounted for lo tha previous underground mines to the three months.

Underground mines to the Bolanos district, about 100 miles disappointment comes for north of Guadalajara in Jalisco

on the concessions has not been

Bear Creek has started drilling The latest quarterly net profits

The latest quarterly net profits

The latest quarterly net profits

The compared in the followlog lable.

Our Sant lane

Creek has started drifting the for the completed two holes by the end of last year. Further extensive work has been planned for this year—not surprisingly in view of what the two holes revealed.

Mineralisation has Mineralisation has been discovered under the lowest workings of an inactive mine. The first hole intersected a six feet thick vein averaging 15 ounces of ailver per ton, 15 per cent lost after the and 2 cent lead, 8 per cent zinc and 2

ROUND-UP

A deposit with verified the vein to be six feet thick.

119 companies wound up

COMPULSORY WINDING-UP Billing: nrders against 119 companies Studios. have been made by Mr. Justice Dillon in the High Court. They are: GCB Sheet Metal Company;

James Baron Store Designs; K. Thompson Vehicle Disposals; DRS Newa Services; Goldville

Terry Phillips Marine; Picto-field; B. and I. Chemoplast; Deco Rite; Ronnie Clifton. Chris Hudson (Traction);

Monoframe (Engineering); Anglo Cleaning and Supply Co.; Crosswoods Builders; Chipcrown. D. Essex Freight Services (Packing); Keencost Warehouse; Transalpine 1Shlpping and Forwarding); Luba Leisurewear

Engineering.
Glaalyn Cleaning Centres;
Bandraft; John Cook Warehousing; Gileacastlc; S.F.S.P. Electronics; De Banks Hiring and

Finance Co.

D.B. Distribution (UK); H.A. Stephens Associatea; Norwood Door to Door Distributors; Jack

EDUCATIONAL

HEADS OF BOARDING SCHOOLS Children welcome for half-terms/horidays Country House. Ring Mrs. R. K. Gray Pipers Hill. Byfleet, Surrey Byfleet 45107 or 41341

Bastngspring: H

Transport (Containers): Terry Kemp Services (Basildon): N. and R. Freedman; Horphag; H. J. Horswell and Son.

Jerker Transport: Norman Industrial and Commercial Cleaning Services; First Favell Finance; John T. Rhodes; London Computer Training

Double M. Concerts: Arvern Enterprises: Perempos: Bronze-lynn; H. Bingham (Removals): Grosvenor Enlertainments,
Mertrade Holdings, Stallard
Developments (Leiceticri; Spinwell Clothiers; Yaredon Dovelopments; West Yaredon Scentilies; Velcue Electropies
SuperCless; Shaurnements;

Company
Wolfking: Cherrycourt Leisure
Vehicles: Cherrycourt Motor
Conversions: The College Close
Hotel: Grove Coach Hire.
Trident Warehousland Properties (Southeart)
Temple Jewellery: Southeart)
Levene and Sons.
F.M.F. (Casual Weart): Terlin.

Hotel; Grove Coach Hire.

Trident Warehousing and Distribution Co.; Shalborn; J. L.
Haigh and Co.; G.T. Private Hire
(Bordesley Green): Handlodge;
Sandybrook Engineering.
Pury Engineering; Stuart
Alexander Property Holdings;
Fianbourne; Millway Decor:
Burgandy Bars; Seoford

Engineering.

Levene and Sons.

F.M.F. (Casual Weart: Terlindals: A.D.K Granbics: Children's Educational Records: The Fovemet Engineering Commany.

Restaurants: Ralco (Puilders): Sea Search: J. J. Taxis of Madeley; BLB Engineering Company.

Trowcraft: May Cortect Automatical Property And Contract Automatical Property Company.

Trowcraft: Max Corteen Autometics: Vancouver Damp Proofing and Timber Trealment: Thorn and Company (March): F. Wilhy.
Cwmavon Engineering Com-

pany; Seal Cross and Company; Red Tile Estates; Mateu and Mateu: Balder Builders; Chapman (Jewellers). Danecost Wells: Dover Finance:

Danecost Wells: Dover Finance;
E. Steenken and Sons; Ingobell;
David Capstick Advertising;
Davies Air Conditioning.
Gee-Kay Electrics (Leeds)
Company; Hiheli Haulage;
Vacservice (Barnsley); Pepelel;
Cheese Brokers (Cambridge). Stox Contractors (London) Gadplan: Mayocomputer: Dus-Industrial Services: Nancy Linda Bonded Limnusine Hire: Ald haven; K. R. Jackson Consultants; L. Guidotti; Partheon

Securities Group.

Next phase in Donkin mine

WITH Canadian and Nova Scotia Government approvals in place, the Donkin coal project on Cape Breton Island will move into its aecond development phase, reports John Sognich from

In the Rand Mines group the marginal mines, Durban Deep and East Rand Proprietary, have done particularly well in the December quarter with tha former doubling its net profit. Furthermore the latest earnings are after allowing for the repayment of State assistance—now no longer needed—which was claimed in the first half of last year. Donkin, which could produce 2m tons of coal a year by 1986, is being developed by the Crown Corporation, Cape Breton Deve-lopment. The next phase of development, lasting until December 1981 will cost C\$30m (£11.3m).

It involves drilling two tunnels to the coal face, site clearing, the construction of access roads and the placing of transmission lines. The earlier phase, now completed, embraced datailed offshore drilling and engineering planning and engineering planning.

Initial production from Donkin per cent.

is expected to come in 1982 when about 200,000 tons should be lifted from the mine, said Mr. John Buchanan, the Nova Scotia Premier. "As the three lnnewalls progress, production could rise to 2m tons a year by 1986," he added.

The mine could create 2,600 new jobs in the area, according to Government officials. There will be 1,200 jobs at the nperation itself, when Donkin is in full p. eduction, and the remainder will come from the impact of the mine on the general economy of

reduce dependence to about 20

Earnings surge at Rosario

New York-based metals and natural resources group cur-rently at the centre of a takeover battle, more than doubled its earnings on continuing nperations last year to \$31.6m (£13.88m) or \$51.17 per share, reports Ian Hargreaves from New York.

Even this level of earnings is, however, likely to prove an understatement as it is based on an assumed value of \$25 per troy ounce for the balance of 1979 silver production from the group's El Mochiot mine in

Rosario said yesterday that its calculations had been based on the going spot price of \$41 an ounce, earnings would

But there was no word from

Rusarin on the subject of the rival takeover bids from Amax and Rudson Bay Mining. At the end of last week, Hud-son Bay offered \$65 a abare for Rosarin in a straight cash propo-aition, against an earlier offer

valued at around \$55 a share in eash and stock from Amax. Rosario's sales last year rose mainly bacause of the soaring price of silver, but they were helped by higher values for other metals, such as lead,

mined by the group.

Earnings in the final quarter of the year leapt \$12.6m from \$4.48m in the last quarter of

Midwest: new estimate of reserves

INDICATED recoverable reser at Midwest Lake in Saskatchewa are hatween 75m and 80m ib of uranium, 80m ib of illeket and 7m ib of cobalt, according to a study prepared by W. M. Chi-christ and Associates.

The study is based on 341 holes drilled by the end of the 1979 exploration season in the main nrebody and in sparsely-drilled outlying areas.

It was completed for the "internal purposes" of Name Oil and Gas and Bow Valley Industries, both of which have a 25 per cent stake in Milwest.
The joint venture leader is Esse
Minerals, a subsidiary of
Imperial Oil, the Exxon Canadian
unit, which manages the project.

Esso Minerals did not partici-pate in the study, which estimates the uranium reserves at a lower level than the indications current a year ago.

Johannesburg Consolidated Investment

GOLD MINING COMPANIES' REPORTS FOR THE QUARTER ENDED 31 DECEMBER 1979 WITH COMPARATIVE FIGURES FOR THE PREVIOUS QUARTER

Randfontein Estates

The Randfortain Estates Gold Mining Company, Witwaterstand, Limited Innied cambal: R10 827 108

(Divided into 5 413 553 shares of R2 each)			
	PERATING RESULTS	Quarts \$1_12.79	ended 80.3.79	Year ended 31.12.79
. H	re milled — tons Glograms produced	1 036 000 5 714 5.6	967 000 5 319 5.5	3 921 000 23 486 6,0
35	levenue — per ton milled forking costs — per ton milled	R61,06 R80,29	R47,17 R29,37	R49,11 R27,88
7	rofit per ton milled	R30,71	R17,80	R21,23
T	frantium ons treated	974 000	822 000	3 326 000
X	ilograms produced ield — kilograms per ton	144 791 0,149	123 419 0,150	41a 728 0,125
Ŧ	INANCIAL RESULTS (RO	(00)		
	evenue from gold	63 197 31 382	45 614 28 406	192 562 109 317
P	rofit from gold	31, 815 4 793	17 208 5 192	83 245 14 933
N	et sundry revenue	1 095	403	1 979
N	perating profit et interest payable (receivable)	37 792 (260)	22 802 206	100 156 746
T	rofit before taxation	37 962 6 938	22 796	99 410 6 938
P	rofit.	31, 024	22 596	. 92 472
C	emital expenditure	7 858 429	6 545	22 320 429
ñ	inidende declared	18 947		32 481

(1) An unrealised exchange profit of R5 849 000 on the Uranium Const. Lour. of U.S. S103 800 000, at 31 December 1979, has not been include (2) Not sundry revenue was higher as a result of a loss of reven

DEVELOPMENT

During the quarter a total of I the Cooke Section and 1 664 me	1 168 metr tres (1 228	es (11 862 m metres) at t	eires) was ad he Randfontei	vaniced at a Section.
SAMPLING RESULT	rs:			
COOKE SECTION			_	
URIA REEF			Quarter 21.12.79	30.2.79
Samuled — metres		:	1 830	1 869
Channel width centimetres			142	161
Gold				
Ar. value - grams per ton .		• • • •.	1.216	7,6 1 224
. — centimetro grans j	LOC SOIL .	• • • • •	1200	1 207
Av. value - kilograms per ton			0,304	0,337
— centimetre kilogra	ms per ton	• • • •	48,17	54,26
AREA RESULTS:	Quarte.	ended	Quartes 30.5	
UEIA REKE	Cooke	Cooks	Cooke	Cooke
	No. 1	No. 2	No.1	No. 2
ALCOHOL: NO	Shaft;	Shaft	Shaft	Shaft
Sampled metass	717	1 118	554 173	1 215 154
Channel width centimetres	147	139	,123	TDG
Gold				
Av. value — grams per tun	12,8.	5,5	8,8	6,8
grams per ton	1882	820	1 532	1047
Transent.				
Av. value - kilograms				
per ton	8,210	0,368	0,188	0,428
centimetre kilograms per ton	30,87	61,15	32,52	65,91
RANDFONTEIN SEC	MOLL			
· · · · · · · · · · · · · · · · · · ·	TION		Quarte	
WHITE REEF Sampled — metres			31_12.79 459	20.9.79 237
Channel width — centimetres			53	53
Gold				
Av. value — grams per ton		• • • •	4,21	3,9 9 211
Uranium	er un .	• • • • •	246	211
Av. value - kilograms per tou			0,69	0,90
- centimelre kilogra	os per ton	• • • •	36,57	47,70
The values shown in the above of development work on reaf. No which may be necessary when of	allowance	has been a	nade for mod	
ORE RESERVES AS				
Ore reserves are related to pay I R9 960 per kilogram (1978 — R5	600 per kil	sated on the ogram) and	certain sasum	ptions as

ORE RESERVES AS AT 31 DECEM Ore reserves are related to pay limits calculated on the R9 960 per kilogram (1978 — R5 600 per kilogram) and to uranium prices. At current exchange rates the equivalent to U.S. \$375 per ounce (1978 — U.S. \$200 p	certain assum old price assum	options a
COOKE NO. 1 SHAFT		
UEIA REEF Tons — 000's	1979 2 820 190	. 197 2 71 18

Av. value — grams per ton — centimetre grams per ton	11,1 2 109	13.2 2 339
Uranium		
Av. value — kilograms per ton — centimetre kilograms per ton	0,153 29,97	0,134 34,25
COOKE NO. 2 SHAFT		
Tons — 000's	1 813 186	1 163 181
Gold Av. value — grams per ton — contimetre grams per ton	5,1 . 949	a,1 1 104
Uranium Av. value — kilograms per ton — centimetre kilograms per ton	0, 332 61,75	0,271 49,05
BANDFONTEIN SECTION		
	1979	1978
Tons — 000's	1 247 86	1 446 •78
Gold		
Av. value — grans per ton — centimetre grans per ton —	2,2 189	2.7 211
Uranium		
Av. value — kilograms per ton	10,450	0,555

Randfontein Estates continued

The operation of the Cooks Plant continued to improve during the quarter with the uranium plant almost fully matching the gold plant's throughput. However, the full planned efficiencies of the leach, filtration and ion exchange sections have not yet been achieved so that acceptable uranium revorense were not realised. The total underground production from the Cooke Section was treated for gold.

Both Millaite plants continued to operate at full capacity and were fed from Randfontein Section's current underground operations and stockpiled ore

Although additional uranium production was achieved during the quarter, sales and hence profit are dependent on actual shipments to the customers.

RANDFONTEIN SECTION

Further to the Company amouncement made on 2 November 1979, investiga-tions have continued on the indicated discrepancy between the historical and current evaluations of the underground reserves. To date no satisfactory explanation has been forthcoming. Investigations are continuing in order to determine the optimum exploitation rate of these reserves and development on the lower levels has been expedited. Alternative sources for the production of uranium are also being evaluated.

Dividend No. 83 of 350 cents per share was declared on 5 December 1979 payable to members registered at the close of business on Friday, 25 December

Western Areas Western Areas Gold Mining Company Limited

(Divided into 40 306 950 units of stock of RI each)

OPERATING RESULTS

Profif - per ton milled

DEVELOPMENT

SAMPLING RESULTS:

FINANCIAL RESULTS (R000) Revenue from gold
Working costs

Issued capital: R40 306 950

Not expenditure on mining assets during the quarter amounted to R6 660 000, with expenditure on other assets during the quarter amounting to R1 527 000, bringing the total net expenditure on capital account at 31 December 1979 to

For and on behalf of the Board F. J. L. WELLS Directors

> 30.9.79 1 06t 000

5 622 5,3 R47.19 R28,20

R18,99

21 039 9 280

11 759

Quarter ended - 30.9.79

R30,74

Net sundry revenue was higher as a result of increased revenue from pyrite sales and in respect of the gold contained in the concentrates.

A total of 12 497 metres (13 480 metres) was advanced during the quarter. Included in the above total is Middle Elsburg development amounting to 2. 9 metres (2 550 metres).

VENTERSDORP CONTACT REEF AND UPPER ELSBURG REEFS

The values shown in the tabulation are the actual results of same ment work on reef. No allowance has been made for modification

ORE RESERVES AS AT 31 DECEMBER

The current ore reserves are related to a prv limit calculated on the besis of a gold price of R9 960 per kilogram (1978 — R5 600 per kilogram) equivalent at the current exchange rate to U.S. \$375 per cunce (1978—U.S. \$200 per cunce).

4 339 000

. R17,82

196 879 118 569

79 211 1 967

a1 178 18 506

41 103

I 40t 1a 944

1978 7 740 000 196

EXPLORATION

Western Areas continued

Horizon	Borenote	. CID	g/t	en.g/t	kg/t	em.kg/
E9	41 Level	•		1.0		
	No. 8 No. 10 No. 11	72	Trace	<u></u> .	0.10	7.2
	No. 10	70	0,2 3,6	14,0	0.26	18,2
	No. 11	352	2,6	9t6.2	0.58	204.1
	140. 14	_ 155	0,5.	77,5.	0.25	40,3
	45 Level					
	No. 2	173	0.2	51.9	0.06	10.3
	No. 4	96	0,4	38,4	0,27	25,3
	48 Level					
	No. 26 No. 27	77	Trace.		0.10	7.7
	No. 37	122	8.3	36,6	0.48	52.4
	No. 20	77	_ 0.1	7.7	0,53	40,8
	No. 30	96	Trace		0,06	5,7
	No. 31	99	Trace	164,0	00,00	29,7 49,2
	No. 32 No. 33	63	0,1	9,3	0.30	17,6
			. 0,4		Chara	24,0
	50 Level	154		87,0	0.08	13.9
	No. 28 No. 25	174	C.5 Trace	91,0	0.04	
		77.	TIME	.:	0,01	3,0
•	53 Level	50		105.0	0.17	de m
	No. 3	00	2,1	105,0	0,17	8,5
	No. t	125	Was an		0.07	
	NO. I	170	Trace	_	0.07	8,7
E9E/C	41 Level				*	
	No. 8	170	1.0	170.0	0.45	78,5
	No. 9	100	9.7	970.0	0.50	50,0
	No. 10	- 263	2,6 :-		· 0.17 . ·	44,7
F . ** .	45 Level	1				4
	No. 2	71	3,8	269.8	1.38	97.9
	No. 4	96	Trace		0.15	14,4
	48 Level		-			,-
	No. 26	233	2,3	512,5	0.56	130,4
	No. 27	118	4.7	554.a	1.02	120,3
-	No. 29	. 96	. 1,9	554.a 182.4	0.42	40,3
	No. 30	192	1,6	307.2	0.59	113.2
	No. 31	`.74	2,3	. 170.2	. 0,43	37.8
	No. 32	119	1,4	166,8	0.57	67.8
	No. 33	223	1,9	423,7	0,57.	127,1
	50 Level					
	No. 23	198	9,4	1 814.2	1,10	212.
	No. 25	158 _	1,1	166,3	0,42	64,20
	52 Level					
	No. 3	73	Trace.	· · ·	0.62	45,26
	63 Level					
	No. 1	96	6,7	636,5	0,25	26,80
8.5	41 Level					
						1 1
	No. 8	91	0,1	9,1	0.04	8,61
	No. 9	270	Trace	_	0.03	6,16
	45 Level	-				
	No. 1	250	Truce		0.09	33.50
	48 Level					
	No. 29	57 ·	Trace	· — ··	0.35	19,56

SUB-VERTICAL SHAFTS

Excavation of the S.V.3 shaft hoist chamber on 49 level is continuing as in the shiping and liming of the headgear section of the shaft and 50 level station. Work on the S.V.4E shaft horst chamber on 50 level is proceeding apace.
Shaft sinking is in progress using temporary hoists.

CAPITAL EXPENDITURE

Expenditure on major capital works accelerated significantly during the quarter and advantage was taken of favourable terms offered to expedite long delivery items of equipment.

Net expenditure on mining assets during the quarter amounted to R28 765 000 with other capital expenditure during the quarter amounting to R36 000 bringing the total net expenditure on capital account at 81 December 1979 to R387 179 000. At 31 December 1979 there were capital commitments amounting

For and on behalf of the Board P. A. VON WIELLIGH Directors

Elsburg

Eishurg Gold Mining Company Lin (Divided into 80 203 000 units of stock of R1 each)

RESULTS FOR THE QUARTER ENDED 31 DECEMBER 1979:

DIVIDENDS DECLARED (R000) R6 871 NH. R9 227 For and on behalf of the Board P. A. VON WIELLIGH F. J. L. WEILS Directors

Johannesburg 2001 P.O. Box 590, Johannesburg 2000

Copies of the above reports are obtainable from the London S 99 Bishopsgate London EC2M-3XE

NORTH AMERICAN NEWS

Bankers Trust NY has peak year

NEW YORK - Benkers Trust New York earned a record \$30.1b before securities transsetions during the fourth quarter of 1979, an increase of \$8.5m over the comparable period. Share earnings of \$2.48 per share compared with \$1.71 a year ago reports the company. For the full year income before securities fransactions was a record \$114.5m, some \$11.9m more than in 1978. Share results were \$9.37 for

1979 against \$6.47 for 1978. Mr. Alfred Brittain III, the chairman, said the group's con-tinued strong earnings per-formance in the fourth quarter resulted from increased net interest income, record securities trading profits, higher fees and other income, and a lower loan loss provision. Partially inflacting these improvements were higher expense levels and an increase in the income tax

Fully taxable net interest income totalled \$154.4m up \$15.7m or 11 per cent. This improvement resulted from the greater value of interest-free and from a \$3.6bn increase in earning assets, Securities trading profits totalled \$15.1m, up \$15.5m from last year. For the year securities trading income totalled a record \$24.6m.

The loan loss provision off, and that the level of active amounted to \$10m for the employment in the company fourth quarter, a \$10m decline would start to rise again in a from B yea rago. Actual net charge-offs for the fourth quarter were \$6.5m, down \$6.3m from a year ago. As a result, the loan loss allowance increased to \$157.3m, or 0.98 per cent of total loans, from vehicles expected to be sold in single digits by the end of the \$131.4m, or 0.96 per cent of the U.S. this year.

on the second Monday of each month.

Record interest rates improve bank earnings

BY DAVID LASCELLES IN NEW YORK

reported increased earnings for \$28.9bn or \$1.32 per share, up 1979, attributing them mainly 9 per cent on last year's \$23.8m to the record interest rates that or \$1.21. This brought the prevailed for most of the year. Bank of New York's income increased 11.5 per cent for the \$6.55 a share to \$43.9m or \$7.11. But earnings in the fourth quarter fell by 7.9 per cent, from \$10.5m increase in loan loss pro-

First National Bank of Boson reported B 36 per cent increase in earnings for 1979: \$84.95m or \$5.90, up from \$62.7m or \$5.11. Earnings in the fourth quarter rose by 30 up from \$15.7m or \$3.85.... per cent to \$22.4m or \$1.82 from MANUFACTURERS HANOVER, \$17.2m or \$1.40.

17.2m or \$1.40. fourth largest bank in the U.S., Mellon National Bank of earned \$211.6m or \$6.41 per littsburgh turned in income be-share) before securities transac-

bank's year-end results to \$101m or \$5.15, compared to 1978's \$86.3m or \$4.40. Security Pacific, the leading Californian bank, reported operating income of \$42.4m or

\$1.53, up from \$34.9m or \$1.35. \$11.8m or \$1.95 to \$10.8m or Full year income was \$164.5m \$1.70, mainly because of a or \$5.97, np 24 per cent on the previous year's \$132.9m or

fornia, reported income of \$5.1m in the fourth quarter, up from \$4.6m or \$1.02, bringing its 1979 total to \$20.4m or \$4.52,

car sales would be at their

series of bopeful assumptions about the progress of the U.S.

the first balf of the year, and

It does not expect unemploy-

Change on Change on Change on Change on Change on Avoo Fin. 10's 88 CS as 25' 87's 88's -0's 2 2 3.36' 88's -0's 2 2 3.35' 0 -0's 12.36' 88's -0's 2 2 3.36' 0 -0's 12.35' 0 -0's 12.35'

SEVERAL U.S. banks yesterday fore securities transactions of tions in 1979, up 16 per cent on the previous year's \$181.7m (\$5.58). Earnings in the fourth quarter were \$51.7m (\$1.56), np from \$45.5m (\$1.39).
The bank said that major fac-

tors in the earnings improvement were higher net interes income resulting from higher domestic and overseas loans, and higher interest rates which increased - the value of noninterest bearing liabilities.
Irving Bank of New York had

a 25 per cent earnings increase in 1979, from \$55.2m (\$6.27 per share), to \$69m (\$7.84). The bank said this resulted mainly from an increase of net interest income from \$326.1m in 1978 to \$398.8m, and higher operating income, mainly in foreign exchange. Fourth quarter earnings were \$19.5m (\$2.21), up 14 per cent from \$17.1m (\$1.94) in the same period in 1978.

General Motors sees upturn

GENERAL MOTORS believes that thet U.S. car sales recession - the industry's worst since 1975—is at its lowest point.

Mr. Elliott M. Estes, president of the world's largest motor company, said that GM did not expect to add to its total of more than 70,000 workers laid fouth or fifth highest level.

month or so." Moreover, Mr. Estes made it economy this year. The comclear that in spite of the swift pany-expects a mild recession in months, GM is not reducing its believes that this will be suff-forecast of the number of tient to pull inflation back into

That forecast of 10.5m cars

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary marke

and 3.5m trucks, roughly the ment to increase significantly same as last year's sales, is ensuring stable real disposable already 10 to 15 per cent more income levels in the first half optimistic than the projections of the year and rising levels in of other US motor mamfaci the second half. turers and industry analysts. If

The company's economists GM's forecasts are right, 1980 also reject the argument that the level of consumer debt is fouth or fifth highest level dangerously high. It says that At the heart of GM's traditionally optimistic outlook is a cator relate to the increasing proportion of families owning their own homes. Mr. Estes said that be was

also confident that the level of car imports to the U.S. would decline this year from last year's 21.5 per cent record. Over 200,000 car workers are

laid off either temporarily or permanently in the U.S., and a the present rate of sales the Industry bas 75 days of car stocks, in spite of B rash of cutprice sales efforts in recent The normal level of stocks is 60 days.

The worst-placed company in terms of stocks is still Chrysler, which st the end of the year had 113 days' supply of cars. Ford bad 86 days' supply, and

Conoco third quarter profit up by 134 % STAMFORD—Conoco expects

1979 to be a record year by B .". wide wide margin," Mr. Raiph E. Bailey, chairman and chief executive, said.

Third quarter profits were up 134 per cent to \$247.1m, or \$2.30 a share. Nine-month earnings were up 111 per cent to \$624.7m, or \$5.81 a share, berting the profits to receive the receivers. beating the previous record for annual earnings set in 1976 of \$456.2m, or \$4.34 B share. AP-DJ

EUROBONDS

Activity stays in DM and Swiss sector

By Francis Ghilès THE ONLY AREA of the Eurobond market which is display-ing any real activity is the new issue sector of foreign Deutsche-mark and Swiss franc bonds. Secondary market trading has come virtually to a standstill in the dollar sector, where recent Japanese convertibles came under soma pressure yesterday.

under soma pressure yesterdby. The recent \$70m convertible to 1984-94 for Mitsubishi which was arranged by Morgan Stanley, dropped 21 points to 1261.

The DM 200m five-year public offering for Norway which carries a coupon of 71 per cent was increased to DM 250m before being priced at 991 by the lead manager Deutsche the lead manager Deutsche Bank, to yield 7.56 per cent Secondary market prices of foreign D-Mark honds ended the day unchanged.

In the Swiss franc sector a SwFr 150m six-year private placement has been completed for the World Bank through Union Bank of Switzerland. This issue carries a coupon of 54 per cent and bas been priced. at par to yield 5.5 per cent. a figure which is rather high for a borrower which has been considered up to now as a prime name. Investors seem to be displaying a certain reluctance to take into their portfolios paper issued by such a prolific

borrower. A SwFr 21m public offering has been completed for the Canadian vehicle producer. Bombardier Inc. through Credit Commercial de France (Suisse). The borrower is paying a cou-pon of 52 per cent for 121 years and the bonds have been priced

Foreign Swiss Franc bonds shed I point but the SwFr 60m ten-year issue for Osterreich-ische Donaukraftwerke, which was priced ten days ago to yield 5 per cent and started trading yesterday, was quoted at par. Another recent issue for an Austrian borrower SWFr 40m issue for Tauern Kraftwerke which was priced six weeks ago

day trading at 1044, at which

J. Vontobel & Co.

S.G. Warburg & Co. Ltd.

Monopoly inquiry into Black & Decker

By Our New York Staff

BLACK AND DECKER Manufacturings, the world's largest maker of portable power tools, confirmed yesterday that the Justice Department is investigating it to see whether it is trying to monopolise the market for power tool accessories such as

drill hits and sanders.

Black and Decker has rejected the Department's claims and has put together a 26-page memo rebutting them. The company said it had only 5 per cent of an approximately \$700m market.

Black and Decker, which has large overseas operations in Europe and elsewhere, had its shares listed on the London Stock Exchange last week, and plans further listings on the Continent, where its shares are present only traded Switzerland

Westinghouse agrees \$47m settlement

PITTSRURGH—Westinghouse Electric Corporation said that it had reached a tentative settlement with Kansas Gas and Electric Company and Kansas City Power and Light Company in the utilities lawsuit against Westinghouse for failure to fulfill a uranium

supply contract.
Westinghouse said that the pre-tax cost of the settlement would be about \$47m. The cost will be charged as an extraordinary item in the corporation's fourth quarter

earnings.

If the settlement and the previously announced settlement with Union Electric Company become effective Westinghouse . will have settled 14 of the original 17 uranium lawsuits hrought against it by a group of utilities.

The utilities sued Westinghouse after the company cancelled its uranium supply contracts in 1975 following a steep rise in uranium maret

Leasing switch causes continued decline at IBM

first annual earnings decline in

\$3.01bm, a 3.2 per cent decline from the 1978 total, was fairly well in line with analysts' recent predictions and IBM's share price improved fractionally immediately following the an-

results on the volume of customers switching from outright purchases of machines to lease transactions as they await fur-ther developments of IBM's new and more powerful generation of computers.

The company also had a bad year on foreign exchange con-versions, experiencing B loss of \$52m, compared with gains of

Machines yesterday reported its had been "significantly ahead" first annual earnings decline in of shipments in 1978, but the growth of leasing had eroded purchase revenue. Consolidated gross income

from rentals and services increased by 8.7 per cent last year, struggling to keep up with a rate of inflation which had been, said Mr. Cary, greater than

The preliminary figures pub-IBM blamed its deteriorating year, which represented a 1 cent sidered likely to lift 1980 earn-per share decline from the same ings to between \$5.60 and \$6.00 period of 1978. Gross income or revenue for

\$22.8bn.

\$113m in 1978.

IBM experienced a sharper profitability as its new generaMr. Frank T. Cary, IBM's than average decline last year tion of mechines, led by the
chairman, said that shipments in its operations outside the 4,300 family, gain acceptance. IBM experienced a sharper

INTERNATIONAL Business of data processing equipment U.S., showing net earnings of \$1.43hn, against \$1.56bn the previous year. Revenua from international business was up from \$11.04bn to \$12.24bn.

Analysts are optimistic that the decline in earnings which has dogged IBM this year and played havoc with its share price will be reversed this year. The company's recent announcement of sweeping price increases and even higher inlished yesterday showed earn-creases in leasing and rental ings of \$1.008bn or \$1.73 per charges to be implemented in share in the final quarter of the the next few months are con-

per share. By cutting the price of some the quarter was up by 6.1 per of its smaller computers, IBM cent to \$6.8bn. Revenue for the has sought to restore a balance year was up 8.5 per cent to in sales and leasing operations in order to improve short term

Xerox reveals growth plans

STAMFORD — Although expecting the U.S. economy to estimate 1979 results, which 1 per cent—caused by Xerox's soften, Xerox Corporation has are still being compiled. Xerox acquisition of WUI, very aggresive" growth plans for .1980, Mr. C. Peter "reasonable," with one qualifi-would be surprised if directors McColough, chairman and chief cation, some analysts estimates did not raise the quarterly diviexecutive, said. But while looking for improved revenue and earnings for the year, the company expects a decline in

Mr. McColough declined to ba do not seem to be taking into out as dividends.

officials, however, deemed \$6.70-\$6.80 a share range from \$5.77 a share, before extraordinary income in 1978. The this year should again increase officialc said that most analysts the proportion of earnings paid do not seem to be taking into out as dividends. AP-DJ

Mr. McColough said that he "reasonable," with one qualifi- would be surprised if directors that 1979 earnings rose to the dend, currently 60 cents a share, in February or March. But he was not sure that the company

Penalty income boosts Imperial

IMPERIAL Corporation of \$74.7m for 1979 was "not un-America, the large savings and reasonable," although soaring loan company operating in California, Texas, Kansas and Colorado, expects 1979 earnings in the range of \$5.20 to \$5.25 a share, compared to \$69m or \$4.96 a share in 1978, largely because of penalty income from savers who made early withdrawals, and from real estate

interest rates had been expected to batter profit margins. In recently revised estimates finan. cial analysts had projected 1979 net income of \$4.90 to\$5 8

Declining spreads from mort-

October and November, who made early withdrawals to plough their funds into shortterm instruments, the rates of which soared after the Federal Reserve tightened credit on October 6.

Earnings were also boosted by gage lending in the fourth Imperial's real estate developdrawals, and from real estate quarter were partly offset by ment side where operating profits.

Imperial said that B net income estimate of roughly 1978. The penalty income was reported for 1978.

December 17, 1979

Yamsichi International (Europe)

All these Bonds have been sold. This announcement appears as a matter of record only.



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Williams, Glyn & Co.

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† Only one market maket adpolled a price.
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Floating Rata Motes: Denominated lo dollars onless otherwise indicated. Coupon nhown is minimum. C.dte = Date aport coupon becomes effective. Spread= Margin obove sizementh offered rate (t.three-month; Sebove mean rate) for U.S. dolfets. C.cpn=The current coupon. C.yid=The current yield.
Conventible Bonds: Denominated in dollars unless otherwise indicated. Chg. day=Change on day. Cnv. date= First data for convention into shares. Cnv. price= Napoleal amount of bond par share expressed in currency of share at conversion rate fixed at issue. Prem=Percanago pramium of the current effective prices of sequiring shares wis the hood over the most recemprice of the shares.

Companies and Markets

AEG rescue plan meets with hostile reception

CROWDED extraordinery general meeting here yesterday gave a noisy and hy no means enthusiastic reception to the plans for the rescue of AEG-Telefunken which involves the write-off of two-thirds of the group's capital.

The small sharebolders, who are estimated to own at least 60 per cent of the desperately ailing electrical giant, made it clear to the group's supervisory and executive Boards that they were not wholly impressed with the rescue. Nor were they satisfied with the answers to their questions on the management of AEG's affairs.

One small shareholder told the group's Boards: "We have a right to answers . . . we are not under pressure Russian tanks." Som Some drew comfort, bowever, from the forecasts of Dr. Walter Cipa. AEG's chief executive, who announced his resignation in December on the day that he unvelled the rescue package.

Dr. Cipa said that the group's sales this year were expected to rise by between 5 and 7 per cent on 1979'a DM 14.2hn, This would be a better performance than last year when turnover virtually

If things went according to with 1979's accumulated losses of DM 1.26bn—composed of companies.
DM 295m carried forward from He said that it would take the DM 295m carried forward from

had virtually run AEG out of capital. Only some DM 179m was left out of DM 930m nominal capital and DM 499m reserves. Strong security measures were in force at the Congress Hall in

were subject to a hody and luggage search, while the hall, as well as its ancillary rooms, were crawling with gun-toting police and security men. Sharebolders and Press were greeted by union pickets, protesting at the loss of 13,000 joba that are to go as part of the rescne package.

Under the package, some DM 2bn worth of AEG'a longterm debt will be restructured from January 1 this year. The restructured credit lines wilt run for eight years, the first two years of which will be interest-

Dr. Cipa said thet the hanking consortium, led by the Dresdner Bank, have given an assurance of heir "good will." when it came to fixing interest rates in 1982. Short and medium term credit lines, he said, had also been assured.

He also disclosed details of a so-ralled " solidarity loan," plen, he said, AEG would hreak which, according to the rescue even this year and return to package, will he subscribed to profit in 1981. This compares by the insurance groups and other leading West German

1978 and a DM 930m loss last form of an issue of up to DM 155m in unsecured promissory notes, carrying option rights to the purchase of AEG From 1982 to 1985 shares. holdera would bave the option to buy AEG shares at DM 150 a

ahare on a one-for-two ratio. A further "solidarity loan" Berlin's Tiergarten, where the is also foreseen, said Dr. Ciparescue pschage was explained to This would take the form of e shareholders. All participating promissory note issue of DM. 200

> Dr. Cipa said that the management's strategy putting the group hack on its feet remained unchanged. It had designated the four main production sectors, in which the group would operate — energy and industrial technology, telecommunications and the major proportioo of its consumer goods' lines. Other activities were regarded as dispensable.

The process and guidance echnology sector had heen returning losses for years and needed to he pot on a broader hasis. It had heen decided that co-operation with another company offered the hest

Therefore, AEG had acquired at the beginning of this year 25 per cent stake in the U.S. computer group, Modular Computer Systems. The two groups planned to jointly found a German company - with AEG holding 75 per cent-to market Modcomp's computer guidance

U.S. acquisition by Henkel

BY KEVIN DONE IN FRANKFURT

HENKEL, one of West Ger- turnover many's leeding manufacturers acquired of detergents, household chemicosmetics, strengthened its position in the U.S. speciality chemicats market with the acquisition of Amchem Products, a subsidiary of Union

headquerters Ambler, Pennsylvania, specialises in the production of chemicals for protecting and cleaning metal surfaces. Henket has been keen to increase its activities in the U.S. since its purchase in 1977 of General Mills Chemicals of Minneapolis for DM 175m.

PM 600m a little under 10 per day, but the acquisition is sales have been increasion of the group's worldwide believed to have cost DM 25m-rapidly outside Europe.

Union Amchem's metalbought the group for its agricultural chemicals business

last year by nearly 9 per cent to DM 6.8m, a less impressive Amchem, which has its growth rate thao that achieved hy the hlg three West Germao chemicals majors, Hoechst.

with a workforce of some 550 employees. Through acquisition Henkel is aiming to introduce its own industrial With the acquisition of cleaning chemicals to the U.S. Amchem, Henkel's U.S. sales market. It refused to give a

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SOCIETE GENERALE

Carhide DM 35m three years ego. Henkel increased group sales

BA." and Bayer. Its new U.S. subsidiary bas an annual turnover of DM 80m

· Amchem has four production working activities. when it sites in the U.S. along with subsldiary companies in Brazil, Mexico, Belgium and Africa. It has licensed its technology tr many coontries and Henkel itself has been selling Amchem products for the last three years. Amchem manufactures a range of about 350 different chemical speciality products, which are chiefly used by the car,

For several years Henkel bas been following a strategy of extending its overseas opera-tions and at the same time diversifying its range of goods American Henkers U.S. sales market. It releases to about precise purchase price vester on the German market. Its first 600m, a little under 10 per day, but the acquisition is sales have been increasing market.

aluminium processing, canning,

wire and household appliance

industries.

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Metal prices boost

By Victor Kayfetz in Stockholm

Boliden

A DRAMATIC return to profits for 1979 was forecast yesterday by the Swedish metals and chemical group, Boliden. The company also predicted sharp growth in 1980. Before tax but after extra-

ordinary items, profits in 1979 will be close to SKr 400m (\$96m) compared with a loss of SKr 78m in 1978. In the current year, profits will exceed SKr 500m.

At a Press conference aimed providing a halanced picture of what impact on earnings msy result from recent price rises" in gold and silver, Mr. John Dahlfors, Boliden's managing director, declined to give details of what metals were involved in the group's forward sales or how long the contracts would run. Boliden mines and es its own zinc, copper, lead, gold and silver.

Mr. Dahlfors said that based on current assessments of metal price trends and Boliden's planned 40 per cent increase in capacity of its Aitik copper mine in Northern Sweden, which can now produce 8m tonnes of the metal annually, group managers expect earnings in 1981 to also exceed SKr 500m.

Boliden believes metal prices ou the whole will remain at " aatisfactory levels " during the first half of the 1980s. "Only a few companies are expanding their production capacity. The situation today is thus not comparable with that prevailing in the mid-70s when capacity was rapidly expanded, which in combination with declining consumption resulted in growing stockpiles which in turn brought ehout strongly depressed metal

Boliden's strategy for the next few years involves a continued concentration on mining, smelt ing, inorganic chemicals and fertilisers, international trade and sale of technology, with a major increase in international activity being planned.

The group is investing SKr 150m in expansion at Aitik, SKr 160m for a saltpetre factory in central Sweden and SKr 25m for a calcium chloride production unit. In 1979 if bought varying shares of several companies that together domiate the Scandinavian market for lead recycled from old car batteries and similar sources. Earnings in 1980 and 1981 would "considerably increase

the group's degree of self-finance for "additional aggressive

SOCIETE GENERALE DE BANQUE S.A.

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PARIS BOURSE REVITALISATION

Monory gets it right

WHEN THE French electorate least the middle of the year. lies in the impact of the change rejected the Left's plans for Their arguments run something in direction of French industrial sweeping nationalisation almost like this: First, the equity two years ago, the present market is still climbing hack Government after the long mid-1970s reces-Centre - Right Government immediately made it clear that it had big ideas for the Bourse. The stock market, according to sation projects. At 105.1 yesterits plans, was to be one of the day the CAC General Index, motors pulling the economy in a probably the most reliable guide new direction—towards a more liheral system, regulated hy market forces and strengthened hy the competition for funds. The Bourse, in short, was to necome much more of an Anglo-Saxon type of institution.

was to produce more funds for industry than in the past, and It was to mobilise this cash through equity and reduce industry's dependence on debt. Behind this change in direc tion was a feeling that industry had become far too dependent on deht financing. During the mid-1970s the loan element in company balance sheets had begun to cost too much to service Industry had run up heavy deht during the oil crisis, partly encouraged by tax conc

felt that this trend was having a cramping effect on investment. The Government also wanted to find ways of steering the French public away from their traditional investments in land property end gold. Industry needed these funds, it was argued, in the battle for world markets. Thus the Bourse, in the official view, had to be

smell private investor as well as

this form of finance, and it was

the big institutions. Twenty-one months after the 1978 elections, the Government its experiments. Equities are still riding high. In 1979 they ahrugged off a five-week atrike by Bourse employees, as well as the U.S.'s October measures, which caused serious competition from high interest stocks.

proking community who helieve capitalisation in Paris at the that the index will continue to end of 1979 of FFr 220bo. notch up steady gains until at

sion caused by the oil crisis and wariness of the Left's nationalito the French market still has some way to go to get beck to last year's high of 113.4, reached just before the Volcker just before the Volcker measures hit Wall Street. But many brokers think that the index should at least recapture those 13 lost points, and prob-

ahly more. Second, the so-called Mon

CAC General Index

Market capitalisation

(1961 = 100)

New gross shares

Best performers:

policy on profit margins and dividends. The liberalisation of industrial prices pushed up profits by between 15-20 per cent (depending on whether oil com-panies are included in the calculation) in 1979, and enabled companies to increase their dividends by an estimated 11 per cent on average. The general view is that these improvements will not dissipate quickly. Companies are said to be healthier and more toughly run at the moment than for several years.
There is also a feeling that
the Government will do its best

manage" the market to

ned Michary to m	anage
BOURSE STATISTIC	s
jan. 1979: 86.7	Dec. 1979: 102.7 (+17%)
Dec 1978: FFr 188,8bn	Dec. 1979: FFr 220bn
1978: FFr 85.2bn	1979 FF+ 96.1bn== +12.8%
1978: FFr 5.3bn	1979: ∰ 3.6bn= -32%
Esso: +245.3%	Raffinage: +179%
Elf Aquitaine: +173%	Elf Gabon: +101%
	CCOA. AED/

SICAVs, the group of unit trusts keep its performance running at named after M. Rene Monory. the Economics Minister, are continuing to pull new money into the market. There are now changed into a magnet for the almost 20 Monory SICAVs smell private investor as well as operating in France. These are distinguished from other unit trusts by the fact that 60 per cent of their portfolio has to be must be relatively happy with in French stocks, an investment guideline which gives their sharebolders the right to deduct FFr 5,000 (\$1,200) a year from their income tax liability.

In 1978, these investment vehicles brought around FFr 4hn on to the market. Last year they the total hefore-although Despite Afghanistan, Iran, amount may be a little down on OPEC and gold, there are still the 1978 level. These figures

least a little ahead of last year'a. market may seem inconsistent with the current ideas of freeing industry from administrative constraints. But the market is important to the present industrial strategy, and sufficiently small for the infinence of the Economics Ministry and the investing power of the Government-controlled insurance companies to be felt.

Some analysts also suspect that the flow of rights issues year, following on from an men have put money into the deliberate infinence by the extraordinary 47 per cent Bourse who have never done so euthorities. Many companies which would have liked to come to the market did not do so, it is argued, because the authorioptimists around in the stock- compare with a total market ties wanted to keep a relatively stable market, with the demand for new funds in balance with The third encouraging factor what was coming in.

for the equity market man be act the forecasts for a more difficult year for industry in 1980. Profits growth can hardly be expected to be as vigorous t the next 12 months as in the last The main effects of the liberalisation programme on industrial prices have aireeny fe through, and the oil companies will be unlikely to throw an the enormous stock profits, they

Similarly, the growth forecast for France shows a fall from about 3.6 per cent in 1979 to 2.5 per cent or less, while panies will be facing a much more difficult international di-mate. The international factor has become increasingly im-portant in the last few years as France has grown into a leading exporting nation (third in the world at the end of 1979). Today, the performance of many nf the major French companie depends fundamentally on ever seas markets.

To some extent, investor have already taken account of these economic trends. The high performing consumer and leisure sectors took a tomble last year, and the motor indus try was particularly hard hit. The tighter vehicle sales expected in 1980 must now have been largely discounted at PSA Peugeot-Citroen (down 46 per cent), Michelin (down 30 per cent) and Ferodo (down 31 per

Thus many of the negative factors may have been taken sufficiently into account not to cause much of a further fall in the more vulnerable sectors. In addition, there are some analysts who feel that the French engineering industry, performance tends to follow the U.S. growth pattern that the flow of rights issues will begin to feel some of the down by 32 per cent to beneficial effects of the in-The CAC General Index finished continued to attract new in FFr. 3.6bn on the equity creased U.S., defence spending 17 points up on the previous vestors—np to 790,000 French market last year—demonstrates plans. "I cannot see," says one analyst, summarising the situa-tinn, "why the French market should perform exceptionally well. For that you need exceptional circumstances, like the beginning of the Monory STCAVs. But there are all sorts of reasons why it might perform quite well."

Austrian bank's offshoots lift sales

BY PAUL LENDYAI IN YIENNA

ONE OF Austria's "big three" coming orders were up by Sch 1.6bn, and the staff was cut banks, Oesterreichische Laen- Sch 900m to Sch 2.0bn. How slightly from 1.727 to 1.660, derbank, experienced a 6 per ever, the order book at the end The dividend is likely to be held In all, the eight industrial enter- 600 to 4,050 prises had total estimated sales of Sch 15.1hn (\$1.2bn) last engineering company, main-

the year hefore. But the order Sch 720m, or Sch 80m down on the position at the end of 1978.

Poor AG, the building com- increased its turnover from pany, reported a slight fall in Sch 1.45bn to Sch 1.8bn. The turnovar from Sch 3.13hn to paper and pulp plant is as said Sch 3.05hn is a result of the up-to he operating currently with-he val in Iran, where the company was heavily committed record a profit until 1981.
Foreign sales were down from Perlmooser Zementw
Sci. 450m to Sch 270m, hat in maintained its turnover

turnover of companies which it from Sch 3.4bn a year earlier. honus. directly or indirectly controls. Production staff was reduced by Wagner - Biro, the heavy

tained its sales total at Chemiefaser Lenzing, the Sch 2.45bn, but exports were inman-made fibres producer, is creased from Scb 1.3bn to expected to resume dividends Sch 1.6bn. The order book after turnover last year rose showed a slight rise from Sch 2.7bn to Sch 3.08bn. Sch 44bn to Sch 4.5hn between Exports accounted for Sch 2.36hn against Sch 2.02bn in Labour force was cut by 160 to Labour force was cut hy 160 to 3.240, and the dividend for 1979 book at the end of the year was is likely to be unchanged et 4 per cent.

Norregaard Oesterreich AG

Zementwerke

cent increase in the overall of 1979 was down to Sch 2.7bn at 9 per cent plus a 2 per cent

Stuag Building company expected to pay an unchanged. dividend of 8 per cent. Its turnover was slightly up at Sch 1.5hn. The order book, bowever, was worth only Sch 650m against Sch 800m at the end of 1978 Voith AG, the engineering

concern, reported a turnover of Sch 1.2bn against Sch 1.15bn, with exports accounting for 60 per cent. The order book at the end of last year was Sch 14bn compared with Sch 1bn a year earlier. An unchanged dividend of 6 per cant is expected.

AG Fuer Banwesen, another construction company controlled hy the Laenderbank reported an unchanged turnover of Sch 420m. The dividend is also turnover at likely to he unchanged.

Legrand completes CGE deal

PARIS — Societe Legrand, maker of electrical fittings, said yesterday that it had exercised tis option to acquire and 80 per cent interest in Amould-Fac, loss-making subsidiary of the Cie Generale d'Electricite (CGE) group specialising in the manufacture of low-voltage circuit-breakers.

The move was initiated by the Government, which pre-ferred to see a "French solution" to Arnould's difficulties rather than have a foreign group move in.

CGE had reached a preliminary agreement with the Siemen group of West Germany under which Stemens would acquire a 50 per cent interest in Arnould-Fae's FFr 35 in (\$8.8m) capital. CGE is known to have favoured this project in the hope of greater co-opera-tion with Siemens. AP-DJ

European move for JWT

By Our Financial Staff

INTERNATIONAL advertising agency, J. Walter Thompson has agreed to acquire a majority interest in the Euro-Advertising agencies in Bologna and Milan, Dusseldorf, London and Paris. Thompson said that Euro-Advertising will provide it with a second agency network in Europe. In return, Thompson will provide some of its capabilities and capital resources which will enable Euro-Advertis-ing to expand its position

throughout the world. Specific terms were not dis-closed, but the purchase price will be based partially on the companies' future earnings: total billings for the E-A agencies were about \$100m in 1979.

In addition to the agencies being acquired, the Euro-Advertising group has associated agency operations in Amsterdam, Athens, Brussels, Lyons and Zurich.

Manfred Senkel, head of Euro-Advertising Dusseldorf, will be chief executive of the group.

Paris bank in Singapore link

SINGAPORE — Banque Nationale de Paris (Southeast Asia), jointly set up by Banque Nationale de Paria end the Post Office Savings Bank of Singapore, is to undertake investment portfolio management, participating in primary and secondary debentures markets in Singapore and other Aslan currencies and emphasise lending and corporate floancing in the region, M. Jacques Calvet chairman of the parent bank. said in Singepore.

Banque Nationale has a two-

tbirds stake in the merchant bank, while the remaining of the \$\$7.5m (US\$3.4m) paid up capital is owned by the Post AP DJ

NOTICE OF REDEMPTION

to the holders of bonds payable in American Currency of the issue designated

9% Bonds due February 15, 1985 (herein called "Bonds") of

The Norwegian State and Municipal Power Consortium, Sira-Kvina Kraftelskap

Sira-Kvina Kraftelskap

Dated at Tousted; Norway This Twelfth Day of January, 1960

NIPPON EUROPEAN BANK S.A. THE SANWA BANK, LIMITED THE TOKAI BANK, LIMITED BANCA NAZIONALE DEL LAVORO (LONDON BRANCH) BANQUE EUROPEENNE POUR L'AMERIQUE LATINE (B.E.A.L.) S.A. CANADIAN IMPERIAL BANK OF COMMERCE **EUROPEAN AMERICAN BANK EUROPEAN ARAB BANK GROUP** INTERNATIONAL COMMERCIAL BANK LIMITED THE MITSUI BANK, LIMITED

AGENT:

BANQUE BELGE LIMITED

EQUITY OWNERSHIP

New deal emerges in Australia

WESTERN AUSTRALIA'S ONLY brewer, Swan Brewery, has reconstruction proposal which could cause headaches for the Australian Government and taxation authorities. Swan and its advisers, Hill Samuel Australia, have devised a .package . which combines the most attractive features of company and unit trust structures. but avoids the limitations of

The innovatory scheme has the potential to revolutionise the corporate sector. The primary aim is to reduce the hax paid by the group, but the new structure appears extremely flexible and could hold sufficient attractions for many companies to make the switch.

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The Swan scheme involves the use of a property trust which will acquire some of the assets of the present company, This concept is not entirely new: late in 1978 the property development group Westfield underwent a capital reconstruction, with the establishment of a property trust which bought the major part of the company's assets. The attraction of a trust is that it pays no incometax provided all its income is distributed. The transfer of income producing assets to this tax-exempt area considerably reduced Westfield's tax bill and costed the income of the former sharebolders.

The only tax levied applies to the individual tax payer, who trust deed, and Swan Brewery. Is required to include the dis-

tribution from the trust in his for borrowing limitations. assessable income. The West- In the case of Westfield, the field proposal partly eliminated company was forced to sell existing double-taxation, under more than A\$70m (US\$78m) of which a company pays tax on its its assets to an institution to profils—currently 46 per cent— raise funds to pay out mortgage and then declares dividends liabilities. Swan has overcome which are taxable in the hands these problems by linking the of shareholders.

In the first flush of change. predictions were made that the Westfield scheme would be widely adopted, resulting in a substantial fall in Government revenue. John Howard, the Treasurer, indicated that the Government might act if this occurred. The reality, however, has fallen well short of the expectation, although there have been a handful of imitators.

Australia's largest department store group, the Myer Emporium, indicated recently that it was examining the possischeme, but also that the board would prefer the Government to drop the double taxation of profits. Australia is one of the few countries in the world which does tax profits in this considerable criticism of the practice in recent years.

The reason why the Westfield approach is not more popular is that assets are transferred from the company to the trust but not liabilities, with a consequent adverse impact on the balance sheet. For companies with a debenture

transferred to the trust and to continue to be subject to a first charge in favour of the debenture trustee.

It is proposed to form a new bolding company, Swan Brewery Holdings, and a trust, to be known as the Swan Linked trust inseparably to the com-

The Swan Brewery plan involves the use of a property trust which will acquire some of the assets of the present company. The attraction of a trust is that it pays no income tax provided all its income is distributed. Under the scheme devised by Swan and its advisers, Hill Samuel Australia, it is expected that the payout to Swan shareholders will rise from the present dividend of 9.5 cents a share to 13 cents

the scheme is that the shares and the units are at all times beld by the same parties: In fact the shares and units will be encapsuled in the one certificate and traded as one security on the stock exchanges.

company structure and a property trust. The Swan property trust. The Swan scheme enables the property and trading activities of the company to be separated, while maximising tax advantages. There is no problem with the debenture trust deed because the beneficial ownership of the will remain in the company. The shares and units is the same. assets of the trust will be leased

pany. An essential element of Trust. The Swan directors also propose to make a capital return of 20 cents a chare. Illustrating the effect that the new structure can have, it is expected that the payout to Swan shareholders will rise from the present dividend of 9.5 cents a

> distribution of 8 cents. Swan will transfer about A\$30m of its hotel assets and A\$30m of its brewery land and operating brewery plant which

This enables the assets to be at commercial rents with transfer such profits to reserves regular rent reviews.

How investors will take to the new securities remains to be seen. There will probably be confusion initially because investors will need to analyse the scparate parts (the company and the trust) in determining the value of the whole. But for companies the new structure appears extremely adaptable, and could hold considerable advantages over the normal com-

Existing company activities such as rights issues, scrip issues, company takeovers etc. will still be possible, but there will be more flexibility in their structure. The essential requireent will be that the number of shares and units remains the same at all times, but this can be accomplished in a variety of ways. If, for example, it is de-sired to raise funds for the trust to acquire assets, but not the company, a cash-raising issue of units could be made accompanied by a scrip issue of shares, and the same would of course apply in reverse. Alternatively a rights issue could be made with differing application amonnts for shares and units.

share to 13 cents, comprising a Swan could also make com-pany takeovers either for cash dividend of 5 cents and a unit or using securities. An acquired group could either be swallowed into the company or split iuto the new structure. It might also capital profits tax-free. At to be seen whether it would

and make scrip issues.

Overseas investors may also be better off. Australian companies are currently required to deduct 15 per cent withbolding tax from dividends and 10 per cent on interest payments. There ment with income distribution by trusts. In theory, investors hould pay tax on such distributions, but it is doubtful how many individual overseas investors actually lodge Australian income tax returns.

The new structure may also appeal to company boards nervous at the possibility of takeover, because the scheme could be used to make an unwanted takeover very difficult to accomplish. It would appear possible for the linked trust to buy shares in its company twin, a practice which is barred to companies under the Companies Act. There must also be doubt as to whether a bidder could tion provisions of the Companies Act, because there is no provision under the legislation to enforce acquisition of units. In fact trusts are not covered by the takeover provisions of the Companies Act.

The Swan scheme appears to have resolved most of the drawbacks associated with the Westfield-type trust scheme. If the new linked structure catches on. possible for a company to the government stands to lose its trust arm to distribute considerable revenue. It remains

COMPUTER AND OFFICE **EQUIPMENT SURVEYS** 1980

The Financial Times is planning to publish a number of Surveys in 1980 on Computers and Office Equipment. The titles and proposed publication dates of those planned are listed

Computer Industry March 3 March 19 Reprographics April 18 Calculators May 12 Word Processing **Computing Services** September 17 Office Equipment October 6 Computer Peripherals October 31

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Robert Murrell

Financial Times, Bracken House 10 Cannon Street, London EC4P 4BY

> Telephone: 01-236 1434 Telex: 885033 FINTIM G

The content, size and publication dates of Snrveys in the Financial Times are subject to change at the discretion of the Editor

Fresh bid for Kadoorie estate groups

THREE interlinked Hong Kong- is to be set up by Malaysian quoted Malaysian rubber estate Chinese businessman Tan Sri 1978, with an indicated cash companies have received their Datuk Lee Yan Lian, who is offer of HKS 445 a Rubber Trust third takeover offer in little over a year. It looks as though this time the offer in cash and totalling some HK\$400m (just. over US\$80m) will proceed.

A Hong Kong holding company is offering HK\$9.80 a share for Rubber Trust, HK\$6 share for Amalgamated bber, and HK\$12 for Shanghai Kelantan Estates,

Rubber Trust owns 40 per cent of Amalgamated and 45 per cent of Shanghai Kelantan, and Amaigamated owns 25 per cent of Rubber Trust. Acceptance of the bid is being recom-mended by directors. Management control and a large shareholding are held by the Hong

believed to represent a small group of Malaysian investors. The bid compares with an offer from the Malaysian plantation group, Highlands and Lowlands last August of HK\$ 7.75 per share for Rubber Trust, HK\$ 5.10 for Amalgamated and HK\$ 11.90 for Shanghai, That offer was subsequently withdrawn by Highlands.

Since then, rubber prices bave risen sharply in response to the the past month. oil price, further forcing up prices of plantation land. All told, the Kadoorie Gronp estates amount to some 30,000 acres, of which some 2,800 acres have non-agricultural .. development

offer of HK\$ 4.45 a Rubber Trust THE HONG KONG Government

sian assets from foreign owner- property, a senior government ship. It further emphasises, at the same time, the scale on which money is currently flow announced legislation to extend ing into Hong Kong from South-East Asia, It comes on top of domestic rental sector, had announcements of Hong Kong property acquisitions by South-East Asian Chinese interests the property sector. totalling more than HK\$ 2bn in

Rubber Trust shares closed last week on the Hong Kong-Stock Exchange, abead of the offer announcement, at HK\$8.30, with Amalgamated Rubber Trust at HK\$5.10 (buyer), and potential. Disagreement over Shanghai Kelantan at HK\$9.50 this potential led to Board reject nominal. Rubber Trust has Shanghai Kelantan at HK\$9.50 The company making the offer tion of the first Highlands bid risen this week to HK\$0.30, and ment to do the same.

approach made in November, Amalgamated to HK\$5.60.

share. The latest bid is one from will not introduce rent controls Malaysians to buy back Malay-on industrial and commercial official indicated today. The Government, which recently controls in the booming been under some pressure to extend them to the whole of However the official indicated

the Government was seriously persuing the idea of forms of outlawing some speculation. likely is a ban on pre-sales of flats. Singapore announced Singapore similar controls last week which has beightened the pressure on the Hong Kong Govern-

Cold Storage offers Orchard Road stake

COLD STORAGE Holdings, the major food and beverage group, bas agreed to offer a 30 per cent equity participation in its S\$150m (around \$70m) property development, known as from Robinson. Cold Storage Centrepoint, to

Robinson and Co. The land for the development of this commercial-cum-residential property is owned by two vholly-owned subsidiaries of the Cold Storage group—Cold Storage Enterprises (CSE) and Cold Storage Property Investmeots (CSPI).

Robinson, which is one of Singapore's major retailers, will subscribe for 30 per cent of CSE's issued capital of S\$21m and of CSPI's issued capital of S\$49m. The remaining 70 per cent of the issued capitals of the building.

the companies will be beld by the Cold Storage group, As a result of the agreement, Cold Storage will receive about \$\$21m of capital subscription

Cold Storage disclosed that It had already obtained financing for the construction of the complex. The group's parent company will provide a guarantee to bankers for 70 per cent of the estimated maximum require-

Robinson bas been given the right to sell 5 per cent of the issued capital of CSE and CSPI Great Eastern
The lit bas agreed to new to Assurance. lease 94,000 sq ft of the new premises for a seven year period from the date of completion of

ARAB NATIONAL BANK Cairo



CAPITAL PAID UP US \$100,000,000 RESERVES US \$78,000,000

Chairman: Dr. Ahmed Nazmy Abdel Hamid

Auditors for year ended June 30, 1979

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FIVE YEARS BANKING	·	(In	Million	U.S. Dolla	rs)
YEAR ENDED	30/6/75	30/6/76	30/6/77	30/6/78	30/6/79
Deposits	396.5	447.1	693.1	851.1	910.0
Loans, advances and bonds	290.3	187.2	337.5	269.5	405.6
Net profits (before provisions)	- 33.3	42.8*	24.7	27.0	27.3
Reserves	41.3	50.0	61.0	70.0	78.0
Provisions	0.1	1.5	7.5	9.2	12.5
Dividends distributed (percentages)	.10%	10%	12%	14%	141%
Total balance sheet	597.0	654.0	907.1	1,064.6	1,169.7
Documentary credits, guarantees etc.	-202.1	233.6	347.4	382.3	290.9
* Including U.S. \$20 million no	on-banking	revenue.			

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AFINANCIAL TIMES CONFERENCE

GOEFPARISES CURRENCIES, MONEY AND GOLD

Late rise by \$

currencies for most of the day despite the strength of gold and sterling. Central banks. including the German Bundes-bank, may have prevented the the morning, although this was not evident within the foreign exchange market. Rumours about the possible release of the credence in the market but may have been a factor behind the trading. It finished near the best level of the day at DM 1.7275 against Dentsche Mark, compared with DM 1.7185 on Monday, at SwFr 1.5935, against the Swiss franc, compared with SwFr 1.5820; and at yen, compared with Y236.20. According to the Bank of England, the dollar's trade-

Sterling's index on Bank of England figures rose to 72.0 from 71.4, the highest level since late August, after standing at 71.9 at noon and in the morning. remained firm, influenced by the recent demand for Government stock and very bigh interest rates in the touched a bigh point of \$2.2960-\$2.2975, but fell sharply as in the late afternoon. Sterling 15 points on the day.

D-MARK—Very strong, and showing a tendency to rise within the European Monetary

THE DOLLAR rose quite French franc, Belgian franc, sharply m late trading, after Danish krone, and Irish punt, remaining steady against the but weakening slightly in terms of the Dutch guilder and Italian lira. Outside the EMS the Swiss franc eased to DM1.0856 from DM1_0868, but the dollar was rising to DM1.7190 from rising value of North Sea oil continued to support sterling. which rose to DM3.9360 from

FRENCH FRANC-Stronges member of the EMS since late ground in terms of most of its EMS partners, the dollar and pound was very firm, in line other major currencies, rising to FFr9.2355 from FFr9.1220 but the Swiss franc was rather weighted index rose to 84.9 from weaker. Among EMS members the D-mark, Belgian franc, Danish krone, and Italian lira improved, but the Irisb punt

> DANISH KRONE-Basically weak, suffering two devaluations since the EMS began last March -The krone fell against all major currencies except the Swiss franc at the Copenhagan All members of the fixing. EMS improved against Danish currency, while sterling compared with DKr12.1520 on Monday. The dollar was fixed at DKr5.3735, compared with

DUTCH GUILDER - Firmer in recent weeks, near top of System—The D-mark showed EMS—The guilder improved mixed changes against its EMS against most EMS currencies EMS-The guilder improved pareners at the Frankfurt fix- but declined against the dollar ing, improving against the and sterling.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	amounts against ECU January 15	from central rate	% change adjusted for divergence	Divergence limit %	
Selgian Franc	39.7897	40.4668	+1.70	+1.41	±1.63	'
Danish Krens	7.72336	7.78220	+0.75	+0.47	±1.64	
Germen O-Mark	2,48208	2,49071	+0.36	+0.08	士1.125	
French Franc	5.84700	5.84136	-0.10	-0.39	±1.3557	
Dutch Guilder	2,74362	2.74978	+0.22	-0.07	±1,512	
Irieh Punt	0.668201	0.674862	+1.00	+0.71	±1.666	
Itelian Um	1157.79	1163.85	+0.52	+0.52	±4.08	
Changes		CU, therefore		snge denotes		

THE POUND SPOT AND FORWARD

	1112 . •	•		A Telephone Control of
Jan. 15	Day's Spread	Ciose	One month.	p.s. mouths p
U.S. Canada Nethind. Belgium Oenmark Ireland W. Gei. Portugal Spain Italy Norway Franca Sweden Je pen Austrie	2.2725-2.2575 2.6505-2.6790 4.32 ¹ -4.370 15.70-64.30 12.25-12.34 1.0615-1.0685 3.91 ¹ -3.96 ² - 113.00-114.00 150.40-151.70 1.831-1.844 11.77 ² -11.26 ² - 9.19 ¹ -9.26 ² - 0.42-9.50 637-550 28.12-28.42	9,214-8,224 9,424-9,434 545-546 28,23-28,28	0.62-0.52c per 0.85-0.75c pm 28-10c pm 29-10c pm 3-10rc pm 0.07-0.77p dis 31-22-pf pm 5-55c dis per-50c dis 6-8 lire dis 73-55-ore pm 4-30-4.45v pm 25-15gro pm 4-30-4.45v pm 25-15gro pm 4-30-4.45v pm 25-15gro pm 4-30-4.45v pm	3.00 1.32-1.22 pm 2 3.02 1.30-1.76 pm 2 4.83 5-1.41 pm 3 2.82 40-30 pm 3 1.95 1-3 dm -0 1.35 0.20 0.30 dm -0 9.52 34-74 pm 3 -1.39 35-135 db -2 -4.58 122-20 db -3 -4.58 122-20 db -2 4.58 67-54 pm 5 4.58 67-54 pm 1 10.28 11.40 10.85 pm 5 8.49 52-49 pm 1 10.28 11.40 10.85 pm 1 10.28 11.40 10.85 pm 1 10.28 11.40 10.85 pm 1
Contra :	3 802-3.653	3.624-3.634	manage been	

THE DOLLAR SPOT AND FORWARD

		Day's			7.	Three	_
t	Jan. 15	Spread	Close	One month		thought.	_
tetslests),	Jan. 15 UK! Ireland! Canada Nathlad. Belgium Oearnerk W. Ger. Portugat Spain Italy Norwey France	Spread 2.2725-2.2875 2.1455-2.7490 1.1646-1.1686 1.8370-1.9070 27.97-28.07 27.97-28.07 1.7780-1.7300 49.80-50.00 66.03-66.08 803.20-804.70 4.9010-4.9048	2.2770-2.2780 2.1470-2.1480 1.1663-1.1666 1.9064-1.9070 28.04-28.06 5.3825-5.3840 1.7270-1.7280 49.90-50.00 85.03-66.05 804.20-804.70 4.9035-4.9045	0.62-0.52c per 0.80-0.70c pm 0.08-0.03c pm 0.46-0.45c pm 1c pm-per 0.10-0.90cr dis 1.00-0.90cr dis 1.00-0.90cr dis 20-30c dis 42-52 ire dis 1.60-1.10ore pm 0.70-0.50c pm	3.00 4.20 0.46 2.74 0.21 -0.78 8.60 -4.80 -4.80 -7.83 1.93	1.32-1.22 pm 1.70-1.60 pm 1.30-1.00 pm 1.32-1.25 pm 1 pm 1 dis 1.00-4.10dis 2.56-2.46 pm 45-75 dis 60-50 dis 13.147 dis 3.76-3.25 pm 1.00-0.50 pm	7302 2544620
	Swedan .	4.1333-4.1365- 236.10-240.00 12.34-12.41 1.5805-1.5955	4.1355-4.1365 229.45-239.55 12.404-12.414 1.5930-1.5940	0.75-0.55ore pm 1.60-1.42y pm 5½-43-gro pm 0.83-0.73c pm	7.57	1.60-1.40 pm 3.70-3.55 pm 17-14 pm 1.00-0.80 pm	5

CURRENCY RATES

: .		• •			2-27-7
Jan. 14	Bank rate 2		European Currency Unit	Jan. 15	Bank of Morgas England Guaranty Index obanges 2
rling	354 1012 11 2 91 ₂ 91 ₂ 16 51 ₄	0.584301 1.58277 1.54261 12.5164 36.9185 7.09666 2.27225 2.50920 2.32613 1052,32 513.257 6.48819	0.638845 1.44762 1.68518 17,8492 40.3923 7.75577 8.48672 8.74541 5.82865 1162.80 548.146 7.10348	Starling U.S., dollar Canadian dollar Austrian schilling Belgian franc Danish knoer Deutsche mark Swiss franc Guilder French franc	84.9 - 16.9 107.9 + 24.8 115.4 + 9.8 109.0 - 2.6 159.3 + 47.0 203.4 + 42.4 126.2 + 27.2 102.4 - 5.0 55.1 - 49.6 117.8 + 16.7
nish Pts.	. a	87.3266	00,0154	Based on trade we	ighted changes from sent December, 1971

OTHER MARKETS

	Jan. 15				Note Rates
	Argentina Peso	6725-3745		Austria	28.00-28.25 65.50-66.00
	Australia Dollar Arazil Cruzolro	2.0525-2.0565 99.85-100.05		Belgium Denmark	12,26-12,33
	Finland Markka	8.3812-8.40		France	
	Greek Drachma Hong Kong Dollar	11.16-11.184	4.9060-4.9080	Italy	1845-1976
	Iran Rial			Notherlands	4.33-4.364
	Luxembourg Fro- Majaysia Dollar	63,85-63,95	28.04-28.06	Norway Portugal	11.20-11.27 112-225
	New Zealand Dir-	2.3030-2,3090	1.0110-1.0125	2Dain	1501g-15814. 9.47-9.65
	Saudi Arab. Riyai. Singapore Dollar:		2.1545-2.1363	Sweden	5.6119-3.631g
٦	Sth. African Rand U. A. E. Dirham	1,8670-1,8686	0.8200-0.8206 3,7425-3,7433	United States	2.284-2.292 49-51
	Or be the Citizenti	0,000	401 100 011 100	ber care and and and	

EXCHANGE CROSS RATES

Jan, 15	PoundSterling:	U.S. Dollar	Deutschom'k	Japan'se Yen	FrenchFranc	Swiss Franc	Outch Gulid'r	Italian Lira	Canade Dollar	Belgian Franc
Pound Sterling U.S. Ooller	0.432	2.278	5,938 1,729	542.5 239,6	2.818 4,047	e.633 1.695	4,545 1,907	1832. -804.4	2,655 1,156	68.90 28.06
Deutschemark	0,254	0,678	7.21a	138.5	2,541	0,928	1,108	458.3	0.874	16.25
Japanesa Ysn 1,000	1,855	4.176		1000,	10,90	e.659	7,981	3358.	4,866	117.1
Franch Franc 10	1,085	2.471	4,272	591.8	10,	5.941	4.711	1988.	9.880	59.32
Swiss Franc	0,275	0.627	1.084	150.2	2,556	I.	1.195	504.5	0.731	17.59
Outch Guilder	0,280	0.524	0,907	125.8	2.128	0,232	2,570	421.2	0.511	14.72
talian Lira 1,000	- 0,546	1.245	2.148	297.8	e.081	1.985		1000.	1.449	34.88
Canadian Dollar	0.577	0,858	1.485	205.8	5,472	1.368	1.636	590.1	4.154	24.07
Belgian Franc 100	1.586	8,564	6.152	856.7	14.42	6.685	5.796	2857.		100

EURO-CURRENCY INTEREST RATES

months 13.95-14.05 per cent; one year 12.85-12.95 per cent.

i	Jan. 15	Ster ling	U.S. Doilar	Dollar	Outch Guilder		. Mark.	French Franc	Italian Lira	Asian S	apanese Yen
ļ	7 days' notice. 7 days' notice. Month	N/A 16:2-17:6 16:8-17 16:8-16:4 18:8-16:4 18:8-15:4	1534-14 137g-141g 14-1414 141g-145g 141g-145g 13-1614	1212-1512 1212-1512 13 A 16 A 16 A 16 A 16 A 16 A 16 A 18 A 18 A 18 A 18 A 18 A 18 A 18 A 18	111 ₂ -113 ₄ 113 ₄ -12 113 ₄ -12 111 ₂ -113 ₄ 113 ₆ -115 ₆ 11-111 ₄	14-18 14-2 46-416 518-514 516-518 348-514	7(2-8) 8 2 18 2 16-8 16 2 4-8 16 3 16-8 16	117g-121s 117g-121g 121g-125g 131g-125g 135g-125g 135g-125g	- 151 ₀ -191 ₂ 21-24 203 ₄ -225 ₄ 20-23 121 ₂ -201 ₄ 19-20	14-1418 1418-1414 1414-1418 1418-1414 1616-1618	513-938 558 618 7-758 718-818 814-84 712-818
ı	Long-term Eur	odallar two y	pars 12-12% per	COOK three	vesra 117-123 p	er cant four	Vesco 111-12 no	er rent five war	- 115 117		

INTERNATIONAL MONEY MARKET

European rates steady

some centres prompted a slightly easier tendency. Monday's move by the French authorities to buy around FFr 6bn of first category paper from the market, belped call money ease to 121 per cent from 121 per cent. Period rates also fell by up to a 1 point in places.

In Frankfurt call money essed very slightly but longer term rates were unchanged.

An easing on money market rates in Amsterdam yesterday encouraged Amsterdam-Rotter-dam Bank to lower by 1 per cent its surcharge on commercial lending rates to 1 per cent. lending rates to 1 per cent.
Other banks are now expected
to follow snit. The easing of
rates was highlighted further by
the authorities decision to offer
a new special advances facility
for the period January 17 to

Bills

NEW YORK GERMANY

Interest rates in Europe January 23, at 11½ per cent. This showed little overall change replaces the previous F1 1.63bn yesterday, although conditions in loan which carried a rate of 12 loan which carried a rate of 12 per cent. In the money market call money rose to 111-12 per cent from 101-11 per cent, but period, rates

> In New York Treasury bill yields opened lower against average rates at Monday's suction. 13-wesk bills eased to 11.78 per cent from 11.904 per cent at the auction, and 26 week bills were easier at 11.70 per cent, against 11.783 per cent. The increase in demand was mainly result of sbort covering by dealers, which reflected increased retail demand. Federal funds were quoted at 13 per cent.

UK MONEY MARKET

Further shortage

Extremely large assistance was given by the authorities yesterday to relieve the abortage of day to day credit in the London discount market. The help was made up of amall Treasury bill and local authority bill pur-chases from banks and discount houses, of which some of both

Bank of England Minimum Lending Rate, 17 per cent (since November 15, 1979)

date. They also lent a very large amount to 10 or 11 bouses largs amount to 10 or 11 bouses at MLR, for repayment today. The market was faced with a large excess of revenne transfers to the Exchequer over Government disbursements and the repayment of Friday's moderate market advances. In addition banks brought forward balances a small way below target and there was a small net take up of Treasury bills to finance. There was also a amail increase in the note circulation. There were no appreciable factors in the

Sharp rise

Gold rose to another record in the London bullion market

yesterday, touching a peak of

\$690-695, and closing at \$685-690, a rise of \$31 on the day. Reports that the Soviet Union was a buyer of gold, coupled with growing fears of a major confermation between

frontation between the U.S. and

Russia in the Middle East added to the very nervous state of the market. The metal was fixed at

Gold Bullion (fine

market's favour. Some discount houses took money at 164 per cent but a majority of the day's needs came from the Bank of England at 17 per cent. In the interband market overnight money opened

In Paris the 12½ kilo gold bar was fixed at FFr 87,200 per kilo

(\$672.87 per ounce), compared with FFr 87,000 (\$672.08) in the morning, and FFr 84,300

morning, and FFr 84,300 (\$651.18) Monday afternoon. In Frankfurt the 121-kilo bar was fixed at DM 37,540 per kilo (\$682 per onnce), compared with DM 36,005 (\$651.98) previously.

at 21.23 per cent and traded up to 25 per cent until early after noon, when rates briefly touched 70 per cent. During the after noon money acc-sawed between 25.30 per cent and 40.45 per cent.

LONDON MONEY RATES

					<u> </u>					1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Jan 15 1060	Sterling Certificate of daposit	interbank	Authority deposits	Local Auth. negotiable bonds		Company	Olscount market deposits	.Treasure	Eligible Bank Bilts &	Fine Trade
Overnight	174 164 17164 164: 164 154: 135 148: 144 146: 144	10-70 171-1712 171-172 171-172 161-1718 161-1618 161-1618 161-1618 141-1618	178-1772 178-18. 17-1774 16-1-1716 16-16-16 16-16-16 16-16-16	1714-17 17-164a 154-153a 155a-1614 16-146a		1748-174		1811-161	12 174 164 17 164 164 154 154	174

Local authorities and financial houses seven days' notice others seven days fixed. *Long mortgage rates nominally three years 15-15% per cent; lour years 15-15% per cent; the years 15-16 per cent; the years 15-16 per cent; the years 15-16 per cent the years 15-16 per cent.

4184 30 2

Companies and Markets							W(OR	RLD !	ST	0
NEW YORK	Stock	Jan Jan. 14 11	Btock	Jon.	Jan.	Stook	Jan.	Jan.	Stock	Jag.	Jen,
Stock	Columbia Gas. Columbia Pict. Com. trs. Am. g. Combis Am. g	86 384 284 194	Gt. Atl. Pag. T Gt. Basina Pat Gt. Nth. Neko Gt. Wast Finan Grayhound Grumman. Guif & Wastar Guif Oli. Hail (Fis. Hallburton Hammermill') Handioritan. Hammermill') Handioritan. Hammermill' Handioritan. Hammermill' Handioritan. Harna Mining. Harris Gorp. Harris Harris Herris Harris Herris Harris Herris Harris Herris Herris Herris Herris Herris Herris Horshey. Nathiet Harris Horshey. Nathiet Horshey. Nathiet Harris Horshey. Nathiet Horshey. Nathiet Horshey. Nathiet Horshey. Nathiet Horshey Hormel Geo. Horshold Intelled Horser Uoly Hormel Geo. Horshold Torp. Huston Corp. Int. Tel. Tel. Intelled Intelled Intelled Intelled Intelled Intelled Intelled Interled Intelled Inte	756	70344 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Stock Mess Petroleun Mess Petroleun Mess Petroleun Mess Petroleun Mitton Bradley Minnsects MM Mitton Bradley Minnsects MM Mistouri Pac Mobarole Moharch Mf7 Mohamito Moharch Moharch Moharch Moharch Mat Detroit Nat Gen Mat Gen Mohawa Mo	670 4 5 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6	1	Stock Schilltz Sraw. J. Schillmberger, SCM. Schill Charler, Scott-Paper. Scott-Paper. Scott-Paper. Scott-Paper. Scaled Power. Sealed Power. Shell Oil Trans. Sherwin Wma. Signode. Simplicity Patt. Story Res. Souther Co. Sumbaam. Story Corp. Spring Mills. Sequare O. Sumbaam. Story O. Sumbaam. Sumbarrand. Superior Oil. Sumbaam. Sumbarrand. Sumb	144 276 277 284 287 287 287 287 287 287 287 287 287 287	9:58 95:99 95:99 97:99 9
li	ndices			AUSTRAL	ı.	15 1	n. Jan 4 11	.10	High	Low	
EW YORK-DOW JON				Sydney Al Metals & AUSTRIA	i Ord. (il Minis (il	28/69) 6186,77 618	5.071497E.	88 484 1.66	£189,07 (14/1/80)	545,72 (2, 2587,84 (1	2/1/78
jan. jan. jan. jar. jar.	, Jan. Jan. —	1079-80	High Low	Credit Ak			1.51 65.	_		\$1.85 ((2/6) 5/1/79)

Early Wall St. reaction of 2.6

session yesterday, although early trading remained heavy.

The Dow Jones Industrial Average, after advancing about 55 peiots over the past six business days, sessed 2.65 to 83.85 and Ranchers Exploration 11 cents to \$63.47, while declines outscored gains by a seven-to-six margin. Turnover amounted to \$4.58m shares, compared with Monday's 35.36m.

Pone of Citroen losing FFr 6.40

Mining stocks were messly 5 per cent order increase in 1980.

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Public Authority Bonds were 5 problem also partowly mix5d. The Bundesbank sold a nominal 5 per cent order increase in 1980.

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Full Cauthority Bonds were 6 problem also per cent order increase in 1980.

Full Cauthority Bonds were 6 problem

tinued to rise.
Analysts said the highly speculative trade in Metalz

for this edition.

CANADA

BRINGING TO a balt its recept THE AMERCAN SE Market good rise, Wall Street showed a slight bias to lower level a middle gaip of 0.40 at 259.09 at 1 p.m. future and outgoing board chairs were level and present on large voloms of 8.27m shares man Walter Cipa predicing to were weak, with trading remained heavy.

Precious Metal issues weakened 14 to 894. Mexico reported find-after the recept upsurge, but ing a paw large oil field. Tuhos Natural Resources stocks con-makes steel pipe for oil drilling.

Canada

BELGIUM (continued)

Jan. 14 Fra. -

day for a national holiday.

Singapore

Stock prices rose broadly lo active trading, lifting the Straits
Times Industrial index 6.18 to 447.70, another post-1973 high.
One broker said the broadth of the market warm its heardth of the market warm its heard of the mar

of DM 2.20. AEG, however, slipped DM 1.90 to DM 36.10 as Metals and to 2 lesser degree index shed 2.63 to 806.26 after Mechanicals were favoured, not-with advisory board chairman shell and Dassault. Quished 61.30 to 5,133.77.

AUSTRALIA

Price + or

Motors were weak, with Pengeot Citroed losing FFr 6.40 to FFr 261.50 on news that its

8.65 to 833.86.
Local selling was concentrated in Properties, reflecting market expectations of a Government announcement today on moves to

New Market and Alexan Aluminium 1:

10 \$57!

Volme leader Texaco put on to \$30!, Exxon to \$53t, Mobil to \$52!, Union Oil of California to \$46t and Indiana Standard 1: to \$78!. Active IBM reported lower fourth-quarter oet profits but added to at \$67t.

Paper and Forest Producta stocks rose, Active International Paper gained 1: to \$40!, Georgin Paper gained 1: to \$23t, and Weyerhaenser to \$23t, Mobil to \$23t, and Weyerhaenser to \$23t, Mobil to \$33t.

Closing prices for North

Cold, considered one parometer of the stock market, soared to new records at trading yesterday following the previous day's setback.

Bourse prices closed on an mid ended on a raiber mixed bourse following the previous day's setback.

Brokers said investors were reassured by the firmness on Wall Street overnight and the decline in the Call Mooey rate to 12; per the Copi market, soared to new records was not severa trading yesterday following the previous day's setback.

Brokers said investors were and market by the firmness on Wall Street overnight and the decline in the Call Mooey rate to 12; per the Copi market, soared to new records was not severa made on a nadended on a nadended on a nadended on a nadend

JAPAN (continued)

Ringk Hill	56 697a Phillips Pet 485a 485a Triton Oil Gas 1434 197a 573a 573a 20th Cent. Fox 4614 4434	Jan. Jan.	Jan, 14 Fra.	Jan. 15 Price + or	Jan. 15 Price + or Jan. 14	an -
Blue Bell	t 12 1814 Pitney-Bowes 3418 65 Tylor 1594 17 ws 2514 25 Pittston	Stock 14 11	Petrofina 5.520 + 100 Royale Belge 5.320 + 20	Fis. — ACF, Holding 79 —0.5	AHZ Group 4.25 +0.65 Makita 1.1 Alisteie Expl. 0.32 +0.62 Marubeni 1.1	100 -20 122 +4
Borgen	267g 2654 Pleasey 2514 2415 UNC Resources 26 847g 2814 2814 2814 2814	Abitibi	Soc Con Belge 1.535	Ahold 81.7	Ampol Pet 1.20 +0.08 Marudal	776 +1
Brigge Stratn 2558 86 Fed. Het. Mort. 1618 18 Kroehler Kroger	918 878 Potiatch	Aspestos 5712 3712	Traction Elect 2,520, +40	AMRO 100.50.8	Aust Cone Ind 2,55 +0.0) M'ta Elec Works.	595 —9 550 —4 115 +1D
RP 2018 2018 2016 Fed. Resources 105e 2918 Lanier Bus. Prockway Glass. 145s 145s Fed. Opp Storel. 22 2818 Lanier Bus. Prockway Glass. 145s 145s Fed. Opp Storel.	od 281s 291s Pub. Serv. E & C. 12 12 UnionCommorce 101s 105s	Bk Montreal 25 255g Bk Hova 2cotia 255g 256g Basic Resources. 121g 126g	Union Miniera 852, -4	9rodero Cert	Aust Nat Inds 1.87 +0.86 M bishi Corp	747 +84
Brown Forman B 32% 38 Firestone	ns. 2534 24 Pullman	Bell Canada 2058 2034	DENMARK	Caland Hidgs 27,7 -0.5 Elsavier	Bamboo Creek 0.85 + 0.82 MHI	125 186 +9 365 +35
Brown & Sharp. 2854 2816 Tst Charter Fin. 1412 1614 Lenox.	361a 361a 361a Gueker Oets 2854 581a Utd Energy Res 641a 645a	Bow Valley	Jan. 15 Price + or	Euro Com Tst 72	Bond Hides. 1.75 Mitsul RI Est	560 -6 165 +5
Brunswick 151g 193g 1st City Bank Tex 391g 581 (Lavitz Furntru	d. 25 25a Questor 578 718 US Gypsum 3354 34	9rinco		Gist. Srocades 53.6 +0.2 Heineken	Brambles inds 2.10 Nippon Oenso 1,2	788 —7 260 —20
Surlington Ind. 1754 1754 1st Nat. Boston 50% 3058 Uncoin Het.	6904 6904 R.E	Can Coment 13 1278	Baltica Skand 271.25 +1.26	Int-Mueller 28.6	2ninswick Oil 0.22 -0.93 Hippon Meat	430 —2 790 —10
Burndy 30s 30s 75 Pannaman 54 64 Lockhed Lockhed	50 - 501g Ramada Inna 510 - 501g Ramada Inna	Can NW Lands 18 1 1836	Cop Handelsbrik. 118 O Sukkorfab 205.5 Danske Bank 118.25	KLM	Cockburn Cemt. 1.35 Hippon Steel	621 -4 124 213
C88 5278 5278 Fintkote 5434 5434 Longs Drug St	2918 2868 Reading Bates 3518 3414 US Trust	Can Perm Mtg 1814 1819 Can Trustco 2214 2214	Finansbanken157.75	Hed Mid Bank 232 -1	Complete 15.00	781 -2
CPC Intl	2512 2358 Reichhold Chom. 1551 1358 Ublehn 4818 48	Can imp Bank 2534 2534 Cdn inds 2934 2834	Forenda Barnock: 168 + +0.25	Nedlloyd	Conzine Rigin 6.70 Hisshin Flour	61 -8
Campbell Tagg 261s . 2614 Foxboro	614 604 Reliance Grp 5936 6958 Varian Assocs 31 304	Con Pacific Inv., 40 4054 Con Pacific Inv., 40 3954 Can Super Oil 205 201	Hord Kabel 154	OGEM	Crusader Oli 2.35 NYK	100 -13 310 +3 767 -8
Freeport Minimal 616 63	854 9 Resch Cottrell 275g 575g Virginia EP 11 1114	Cdn Tire	Papiriabrikker 111	Philips	Elder Smith GM, 2.48 +0.03 Orient	70 30 +10 35 -10
Carnation 2514 2576 GAF. 2856 2754 MacKe MacMillan 2856 2754 MacKe MacMillan 2857 Carp Tech 2514 5154 GATX 5514 5714 MacMillan	55% 56% Resorts Intl A 2918 6078 Wallace Murray 2512 26%	Chioftain	Smidth IFL1 282,75,	Robeco	Gen Prop Trust 1.60 +0.82 Ricoh	38 +1 37 -2
Certer Hawley 1734 1734 OK Technologies 26 2536 Micra Hanovel	5214 3214 Revere Copper 1714 1614 Warnaco	Cons Bathat A 56 551 ₂ Cons Bathat A 155 ₆ 151 ₇ Consumers' Gas. 271 ₂ 281 ₄ Coseka Ros 131 ₄ 15	auperios 115.76: +0.75	Royal Butch 146.3 +0.4	Hartogen Energy, 2,85 -0,65 Sappore	354 1 304 1 320 1
Cotanese Corp	186a 1814 Reynolds (RJ) 551g 54 Warner Swasey 783e 7634	Costain	TRANCE	Slavenburg's 230.5 -0.8 Tokyo Pac Hg127 Unlloyer117 -0.2	Jonningo 0.96 +0.81 5hiseldo	250 : 10
Central Tol Util. 24 to 246 Gen Cinema. 2019 214 Marsh McLenr	1856 1814 Rich-Morroll 2434 2434 Waste Mangt 44 4414 2712 2736 Wels Mits 2558 2554	Denison Mines 57 5514 Come Mines 5914 68 Dome Petroleum 577s 573e	Jan. 15 Price + or IV	Viking Res	Lennard Oil 1.57 6tanley	65 —9 85 +1 07 +2
Gen Exploration, 418 414 Monday	5014 50 Robins (AH)	Dom Sridge 1778 1712	Emprunt 41% 1978 1.985 +48 Emprunt 7% 1978, 7,816 +270	West Utr Bank990.1 -0.4	Meekatharra Ms. 0.90 +0.04 Taisel Corp 3	78 +1
Champ inti	241g 245g Rockwell Intl. 25 545g Westr. Bancorp. 527g 55	Com Feundries A 5714 5634 Dom Stores 2014 1934 Domter 2634 2636	GNE 3% 8,760 -70		Monarch Pet 0.52 -0.06 Takeda	42 +1 30 -20 42 -8
Charter Co	81g 81g Rolm 471g 471g Westvaco 3514 325g	Falcon Hicket A., 107 10112 Genstar 2754 2754	Air Liquido	ITALY	Nat Bank 8.95 Teikoku Oil 8	75 —18 85
These Pond	2454 2454 Royal Grown 43 4178 Wheelabratr F 5534 35	Gt-West Life	BIC	Jan. 15 Prico + er Ura -	Horth 8kn Hill 5.07 +0.02 Tokio Marine 5.84 -0.02 Tokyo Elect.Pwr. 9	22 – 5 18
Chicago Pneum 845g 2434 Gon Telep Elec 281g 281g McCulioch Oli Chrysler 845g 814 Gen Tire 221g 217g McDermott (Ji	1156 1116 Royal Dutch 7656 7618 Whitipoot	Hollinger A	BSN Gervals 918 Carrefour 1.589 —4	AHIC	Pencon 750 10 40 Tokyo Sanyo 8	28 +9 87 -1
McConnell Co	19 41 4154 Ryan Homes 8178 2134 Whitiaker 2078 9058 29 29 Rydor System 2539 2479 Wickes 1514 1634	Hudson's Bay 8514 2534 do. Oli-& Gas 10012 10012	CGE	Bastogi Fin 710 +6	Ploneer Conc. 9.08 +0.0 Tokyo Dorp 2 Queen Marg't G., 0.44 -0.81 TOTO	58 —2 50 —2 55 +7
Aticorp	891 291 Safection Stores 341 87 Winnshed	Husky Oil	Cie Oen Enux 452 +4.5	Finsider,	Santos	20 +20
Mark Equipment 57%, 3714 Getty Oll	373g 3654 St. Joe Minis 3914 383a Wisc Elan Power 2514 951g 271a 2514 8t. Louis San F 581g 575s Woolworth 243s 343s	Imp Oil	Crevent Loire 68 -0.3	talsider	Sparges Expl 0.70 Yemaha Motor 9	98 -52 40
Norce 104 104 Gillette 2578 2578 Mellon Nati	2914 8854 St. Regis Paper 5112 5114 Wyly	Interpr Pipe 1978 1934	CFP	Pireli Co	Tooheys 5.02 Yasuda Fire 5	21 -2
Coca Btl. NY 67s 6 Goodyser Tire 145s 135s Mercantillo Str. Colores Palm 153s 141s Gould 24 255s Merck	7812 76 Saul Invest 2 734 Zapata	Mag. Bloedel 2714 8669 Marks & Spencer 734 786		3nia Viscosa 654 +5 do. do. Priv. 354	Valiant Consdt 0.26 +0.65 Valiant Consdt 0.55 +0.95 Valiant Consdt 0.55 +0.95	
Collins Alkman 8 754 Grace 421g 421g Moredith Morell Lynch	2154 2118 Schering Pic 2878 5018 U.S. Tra 42 1980 9978 9978	Massey Forg	Imetal	NORWAY	Western Mining., 4.05 -0.15 Jan, 15 Pr	oe + or
		Moore Corp 3654 5078 Mountain State 1058 1054 Nat. Sea ProdeA: 1712 1019	Legrand 1,428 + 25 Machines Sull 55.9 -1.1	NORWAY	HONG KONG Boustead BHd 5. Cold Storage 2.	
Indiana	Jan. Jan. Jan. 1079-80 15 14 11 10 High Low	Horande Mines 95 2414	Michalin 8,	Jan. 15 Price + or Kroner -	Jan. 15 Price + or DBS 5.	50 +0.18 20 +0.20
Indices		Neveen Engrave (30% 30				
	AUSTRALIA Sudney All Ord. (1535/55) 886.28 200.89 783.15 777.79 809.39 (14/1/80) 545.72 (2/1/79)	Norcen Energy 3238 50 Nthn. Telecom 5434 56 Numec Oil & Gas 4834 4834	Paribas 821 -1	Bergens Bank 107 +1 Berregaard 75 -1 Creditbank 125	Cheung Kong 18.60 —0.48 Incheape Shd 2 Corres Proc 2.07 +0.87 Majay Banking 8.	28 +0.02 45 +0.86
NEW YORK-DOW JONES	Sydney All Ord. (1836/33) 899.291 789.13777.79 889.39 (14/1/59) 545.72 (2/1/78) Metals & Minis (1839/59) 5155.77(5185.074978.88)4881.58 5168.07 (14/1/89) 2587.84 (2/1/78)	Numac Oil & Gas 4834 4834 Oakwood Pet 1014 101s Omni 5,00 2,90	Paribas 821 -1 8 Peohinoy 100.5 +1.5 6 Perrior 252 -5 8	Borregaard	Cheung Kong	28 +0.02 45 +0.85 60
1 1079-80 Sicca Complitu	Sydney All Ord. (1836/33) 896.281 899.282 782,13777.79 889.33 (14/1/89) 545.72 (2/1/78) Metals & Minis (1838/63) 5155.77 5185.074978.881481.58 5188.07 (14/1/89) 2587.34 (2/1/78 AUSTRIA Credit Aktian (2/1/62) 58.87 89.51 88.81 58.88 89.49 (7/1/88) 81.85 (2/6)	Nymac Oil & Gas 4634 463	Paribas 881 -1 8 Pechinoy 100.6 +1.5 0 Permod Ricard 252 -5 E Perrior 255 -2 E Percent Cit 201.6 -6.4 N	Borregaard 75 -1 Creditbank 125 -1 Elkem 87 +1	Cheung Kong	28 +0.02 45 +0.86 60
	Sydney All Ord. (1836/83) 889.281 389.282 782.13 777.79 889.33 (14/1/80) 545.72 (2/1/78) Metals & Minis (1836/83) 5155.77 5185.074578.88 4881.58 5188.07 (14/1/80) 2587.34 (2/1/78) AUSTRIA Credit Aktian (2/1/82) 58.87 88.51 88.91 88.98 89.49 (7/1/88) 81.85 (2/6) BELGIUM Beigian SE[(61/12/85) T02.24 102.44 102.54 102.19 163.47 (5/10) 84.80 (6/1/78)	Numae Oil & Gas 483, 483, 1016 1016 1019 1019 1019 1019 1019 1019	Paribas 821	Borregaard	Cheung Kong	28 +0.02 45 +0.05 60
Jan. Jan. Jan. Jan. Jan. Jan. Jan. Jan.	Sydney All Ord. (1836/85) 899.29 209.29 782 13 777.79 889.35 (14/1/89) 545.72 (2/1/78) Metals & Minis (1838/65) 5165.77 5185.074978_894881.50 5188.07 (14/1/89) 5557.34 (2/1/78 AUSTRIA Oradit Aktian (2/1/82) 59.87 59.81 59.85 59.49 (7/1/89) 81.85 (2/6) BELGIUM	Numac Oil & Gas 4634 4634 1016 1018 1018 1018 2,90 2,90 2,90 2,70	Paribas 821	125	Cheung Kong	28 +0.02 45 +0.05 60
Jan. Jan. Jan. Jan. Jan. Jan. Jan. Jan.	Syciney All Ord. (1836/85) 899.29 209.29 782,13 777.73 889.35 (14/189) \$48.72 (27/178) Metals & Minds (1838/65) 5155.77 5185.074978_884881.56 \$188.07 (14/189) \$557.34 (271/78) AUSTRIA Gradit Aktian (271/82) 58.87 \$8.81 \$8.85 \$53.49 (7/1/88) \$1.85 (2/6) BELGIUM Belgian SE[(61/12/65) T02.24 102.44 102.54 102.19 163.47 (5/10) \$88.80 (5/1/79) DEHMARK Copenhagan SE (1/1/76) 85.75 \$55.80 88-91 \$58.87 \$7.48 (25/7) \$55.76 (18/1/89) FRANCE COPENHAGE	Nymac Oil & Gas 4634 4834 Cakwood Pet. 1014 1018 1014 1018 1014 1018 10	Paribas 821	75	Cheung Kong	28 + 0.02 45 + 0.05 50 + 0.05 55 + 0.05 70 + 0.04 74 + 0.84
Jan. Jan. Jan. Jan. Jan. Jan. Jan. Jan.	Syciney All Ord. (1836/85) 899.29 209.29 782,13 777.73 889.35 (14/189) \$48.72 (2/178) Metals & Minds (1858/65) 5155.77 5185.074978.89 4881.56 \$188.07 (14/189) \$557.34 (2/1/78) AUSTRIA Gradit Aktian (2/1/82) 58.87 \$8.81 \$8.85 \$3.49 (7/1/89) \$1.85 (2/6) BELGIUM Beiglan SE[(61/12/65) T02.24 102.44 102.54 102.19 163.47 (5/10) \$88.80 (5/1/79) DEHMARK Copenhagan SE (1/1/76) 85.75 \$55.80 85-91 \$7.45 (25/7) \$57.76 (18/1/89) FRANCE CAC General (22/18/67) 105.7 184.8 184.2 105.7 115.7 (18/1/80) 82.4 (18/2) Ind. Tendance (28/12/73) 191.5 191.5 191.70 100.8 181.9 (18/1/80) 38.0 (6/1/60) GERMANY	Numac Oil & Gas 4634 4634 Calcivood Pet. 1014 1018 2,90 Pacific Copper. 2,79 2,70 2,7	Paribas	125 -1 -1 -1 -1 -1 -1 -1 -	Cheung Kong	28 + 0.02 45 + 0.26 50 + 0.26 55 + 0.26 55 + 0.26 70 + 0.24 74 + 0.84 15
Jan. Jan. Jan. Jan. Jan. Jan. Jan. Jan.	Sydney All Ord. (1836/85) 889.20 209.22 782,13 777.73 889.35 (14/1/80) \$48.72 (2/1/78) Metals & Minis (1858/65) 5166.77 5185.0744978.88481.86 5188.07 (14/1/80) \$687.34 (2/1/78 AUSTRIA Credit Aktian (2/1/82) 58.87 58.51 68.87 58.88 58.49 (7/1/88) 81.86 (2/6) BELGIUM Belgian SE[(61/12/85) 102.24 102.44 102.64 102.19 163.47 (5/10) 98.80 (6/1/75) DEHMARK Copeningan SE (1/1/76) 85.75 56.40 85-91 83.87 57.48 (25/7) 85.76 (18/1/89) FRANCE CAG General (25/18/67) 105.1 184.8 184.2 105.7 115.1 (5/10) 82.4 (18/21 10.1 10.1 10.1 10.1 10.1 10.8 10.9 (18/1/85) 34.0 (6/1/85)	Numac Oil & Gas 4634 4634 Cakewood Pet. 1014 1018 2,90 Pacific Copper. 2,79 2,70	Paribas 821	125 -1 -1 -1 -1 -1 -1 -1 -	Cheung Kong	28 + 0.02 + 0.25 50 - 0.25 55 + 0.25 50 + 0.24 74 + 0.84 - 0.15 - 0.15 - 0.15 - 0.16
Jan. Jan. Jan. Jan. Jan. Jan. Jan. Jan.	Syciney All Ord. (1836/85) 889.80 889.87 777.73 889.85 741/85 248.72 (2/178) 448.72 (2/178)	Numac Oil & Gas	Paribas	125 -1 -1 -1 -1 -1 -1 -1 -	Cheung Kong	28 + 0.02 45 + 0.26 50 + 0.26 55 + 0.26 55 + 0.26 70 + 0.24 74 + 0.84 16 + 0.74 174 + 0.84 175
Jan. Jan. Jan. Jan. Jan. Jan. Jan. Jan.	Syciney All Ord. (1836/85) 889.90 889.927 783.13 777.75 889.95 741/85 \$48.72 (2/178) 848.72 (2	Nymac Oil & Gas	Paribas 821	123 124 125	Cheung Kong	28 + 0.02 + 0.25 50 70 + 0.25 55 + 0.25 70 + 0.24 74 + 0.84 - 0.85 - 0.85 - 0.85 - 0.84 - 0.85 - 0.85 - 0.85 - 0.85 - 0.85 - 0.85 - 0.85 - 0.86 - 0
Jan. Jan. Jan. Jan. Jan. Jan. Jan. Jan.	Sydney All Ord. (1836/85) 5156.77 5185.074878.884881.50 5188.07 (14/1/80) 545.72 (2/1/78) Metals & Minis (1858/65) 5156.77 5185.074878.884881.50 5188.07 (14/1/80) 5587.44 (2/1/78 AUSTRIA Credit Aktian (2/1/82) 58.57 58.51 58.51 58.51 58.58 58.49 (7/1/80) 58.55 (2/5) 58.51 58.51 58.51 58.52 58.49 (7/1/80) 58.55 (2/5) 58.51 58.51 58.52 58.52 58.49 (7/1/80) 58.50 (5/1/75) 58.51 58.52 58.52 58.49 (7/1/80) 58.50 (5/1/75) 58.51 58.52 57.48 (25/7) 58.50 (5/1/75) 58.50 68.51 58.52 57.48 (25/7) 58.57 (18/1/80) 58.	Nymac Oil & Gas	Paribas 821	Total	Cheung Kong	28 + 0.05 60 + 0.26 70 + 0.26 70 + 0.84 - 0.85 - 0.95 - 0.95
Jan. Jan. Jan. Jan. Jan. Jan. Jan. Jan.	Syciney All Ord. (1836/85) 5155.77 5185.0744978_884881.56 5188.07 (14/1/50) 545.72 (2/1/78) Metals & Minis (1858/65) 5155.77 5185.0744978_884881.56 5188.07 (14/1/50) 5257.34 (2/1/78) 5257.34 (2/1/78) 5257.34 (2/1/78) 5257.34 (2/1/78) 5257.34 (2/1/78) 5257.34 (2/1/78) 5257.34 (2/1/78) 5257.34 (2/1/78) 5257.34 (2/1/78) 5257.34 (2/1/78) 5257.34 (2/1/78) 5257.34 (2/1/78) 5257.34 (2/1/78) 5257.34 (2/1/78) 5257.34 (2/1/78) 5257.34 (2/1/78) 5257.34 (2/1/78) 5277.34 (2/1/78)	Nymac Oil & Gas	Paribas Pari	Total	Cheung Kong	28 + 0.02 45 + 0.05 50 + 0.25 70 + 0.24 00
Jan. Jan. Jan. Jan. Jan. Jan. Jan. Jan.	Syciney All Ord. (1836/85) 5165.77 5185.074878_884881.50 5188.07 (14/1/80) 548.72 (2/1/78) Metals & Minis (1858/65) 5165.77 5185.074878_884881.50 5188.07 (14/1/80) 5587.34 (2/1/78	Nymac Oil & Gas	Paribas Pari	Table Tabl	Cheung Kong	28 + 0.08 45 + 0.08 60 + 0.26 70 + 0.26 70 + 0.84
Jan. Jan. Jan. Jan. Jan. Jan. Jan. Jan.	Syciney All Ord. (1836/85) 889.89 889.87 777.73 889.85 741/85 248.72 (2/178) 848.72 (2/178) 848.72 (2/178) 848.72 (2/178) 848.72 (2/178) 848.72 (2/178) 858.74 (2/178) 858.74 (2/178) 858.74 (2/178) 858.74 (2/178) 858.74 (2/178) 858.74 (2/178) 858.74 (2/178) 858.74 (2/178) 81.85 (2/6) 888.81 888.85 88.85 88.86 (2/1788) 81.85 (2/6) 888.81 (8/178) 888.81 (8/17	Nymac Oil & Gas	Paribas Pari	Total	Cheung Kong	28 + 0.08 + 0.08 + 0.26 50 + 0.26 + 0.26 + 0.26 + 0.26 + 0.26 + 0.26 + 0.26 + 0.18 - 0.18 - 0.50 - 0.50 - 0.50 - 0.20 - 0.20 - 0.20 - 0.20 - 0.20 - 0.20 - 0.20 - 0.21 - 0.20 - 0.21 - 0.25 - 0.25 - 0.25 - 0.20 - 0.20 - 0.20 - 0.20 - 0.21 - 0.21 - 0.25 - 0.25 - 0.25 - 0.25 - 0.25 - 0.26 - 0.20
Jan. Jan. Jan. Jan. Jan. Jan. Jan. Jan.	Syciney All Ord. (1836/85) 5155.77 5185.0744978_884881.50 5185.07 (14/1/80) 545.72 (2/1/78) 5155.77 5185.0744978_884881.50 5185.07 (14/1/80) 5257.44 (2/1/78) 5277.44 (2/1/78) 5277.4	Nymac Oil & Gas	Paribas Pari	Total	Cheung Kong	28 + 0.08 45 + 0.26 50 + 0.26 70 + 0.26 70 + 0.24 74 + 0.84 - 0.85 - 0.16 - 0.58 - 0.18 - 0.
Jan. Jan. Jan. Jan. Jan. Jan. Jan. Jan.	Syciney All Ord. (1836/35) 889.89 889.78 777.73 889.35 (14/189) 248.72 (2/178) Metals & Minis (1858/65) 5156.77 (185.074978.894881.56 5188.07 (14/189) 2587.34 (2/178	Nymac Oil & Gas	Paribas Pari	Total	Cheung Kong	28 + 0.02 45 + 0.05 50 + 0.26 70 + 0.26 70 + 0.24 74 + 0.04
Jan.	Syciney All Ord. (1836/85) 889,26 289,287 782,13 777,73 889,35 741/85 \$48,72 (21/178) \$48,72 (21/178) \$155,77 5185,074 578,86 4881,56 \$188,07 (14/180) \$2587,34 (21/178) \$185,77 (78/180) \$185,77 (78/180) \$1.85 (2/5) \$1.85 (2/5) \$1.85 (3/6)	Nymac Oil & Gas	Paribas Pari	Borregaard 75	Cheuno Kong	28 + 0.02 45 + 0.05 50 + 0.26 70 + 0.26 70 + 0.26 70 + 0.26 70 + 0.24 15 - 0.04 16 - 0.16 17 + 0.19 18 + 0.19
Jan. Jan. Jan. Jan. Jan. Jan. Jan. Jan.	Syciney All Ord. (1836/35) 889.26 289.28 789.18 777.75 889.35 741/350 245.72 (21/178) 818.57 (14/180) 2557.44 (21/178) 818.57 (14/180) 2557.44 (21/178) 818.57 (14/180) 2557.44 (21/178) 81.85 (2/5) 81.85 (3/178) 81.85 (2/5) 81.85 (3/178) 81.8	Numac Oil & Gas	Paribas 821	Table Tabl	Cheung Kong	28 + 0.02 45 + 0.05 50 + 0.26 70 + 0.26 70 + 0.26 70 + 0.26 70 + 0.24 15 - 0.04 16 - 0.16 17 + 0.19 18 + 0.19
Jan.	Syciney Aff Ord. (1936/83) 586,29 593,29 772,13 777,78 589,39 747(195) 545,72 (271/78) Metals & Minis (1838/85) 5165,77 5185,074978_88481.56 \$188,97 (14/196) 2587,24 (271/78 Cradit Aktian (2/1/62) 58.87 68.51 68.91 68.88 68.40 (7/1/86) 61.85 (2/6)	Nymac Oil & Gas	Paribas Pari	Table Tabl	Cheung Kong	28 + 0.02 45 + 0.05 50 + 0.26 70 + 0.26 70 + 0.26 70 + 0.26 70 + 0.26 70 + 0.26 70 + 0.18 15 - 0.18 100 + 0.18 20 + 0.18 21 + 0.26 22 + 0.26 30 + 0.18 30 + 0.18
Jan.	Syciney Ail Ord. (1936/85) 5155.77 5195.074978.804951.56 5188.07 (14/189) 5287.34 (27/78) 5185.77 5195.074978.804951.56 5188.07 (14/189) 5287.34 (27/78) 5	Numac Oil & Gas	Paribas Pari	Price Forman Pric	Cheuno Kong	28 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.18 - 0.08 + 0.18 - 0.08 + 0.18 - 0.08 + 0.18 - 0.08 + 0.18 - 0.08 + 0.18 - 0.08 + 0.18 - 0.08
Jan.	Syciney Ail Ord. (1936/85) \$185.77 \$195.07 \$27.78 \$28.57 \$19.57 \$19.57 \$29.78 \$19.57	Nymac Oil & Gas	Paribas Pari	Table Tabl	Cheuno Kong	28 + 0.02 55 + 0.25 50 + 0.26 70 + 0.18 15
Jan.	Sydney All Ord, (1956) 516,77 (195,074978_809_31 728_1677,79] 889_39 (1417,89) 146,72 (21178) Mortais & Minis (1858) 516,77 (195,074978_80931_80] 5180,07 (1417,89) 2567_34 (21778) AUSTRIA Cradit Aktian (2/1/62) 58_57 58_58 58_51 58_58 58_40 (7/1/68) 81.55 (2/6) BELGIUM Belgian SE(61/12/52) 102_24 102_44 102_54 102_19 163_47 (5/10) 88_50 (6/1/78) DEHMARK Copenhagan SE (1/1/76) 85_75 55_88 86_91 53_57 57_48 (25/7) 85_76 (18/1/69) DEHMARK Copenhagan SE (1/1/76) 105_1 161_5 161_5 161_5 161_5 160_5 161_7 160_6 161_7 161_7 160_6 161_7 161_7 160_6 161_7 161_7 160_6 161_7 161_7 160_6 161_7 161_7 160_6 161_7 161_7 160_6 161_7 161_7 160_6 161_7 161_7 160_6 161_7 161_7 160_6 161_7 161_7 160_6 161_7 161_7 160_6 161_7 161_7 160_6 161_7 161_7 160_6 161_7 161_7 161_7 160_6 161_7 161_7 161_7 161_7 160_6 161_7 161_7 161_7 161_7 160_6 161_7 16	Numac Oil & Gas	Paribas Pari	Table Tabl	Cheung Kong	28 + 0.02 + 0.03 + 0.03 + 0.03 + 0.03 + 0.03 + 0.03 + 0.05 + 0
Jan.	Sydney All Ord, (1936/25) 516,77 518,07 721,77,79 539,39 747,789 546,72 221,778 Motals & Minis (1838/35) 5165,77 5185,07478,184931.50 5180,07 744,189 5657,34 221,778	Numac Oil & Gas	Paribas Pari	Table Tabl	Cheuno Kong	28 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.08 + 0.18 - 0.08 + 0.18 - 0.08 + 0.18 - 0.08 + 0.18 - 0.08 + 0.18 - 0.08
Jan. High Low	Sydney All Ord. (1936/83) 886,26] 208,29] 772,167 777,79 208,39 (191/93) 545,72 (271/73) 516,77 (1916) 516,77 (1916) 516,77 (1916) 516,77 (1916) 516,77 (1916) 516,77 (1916) 516,77 (1916) 516,77 (1916) 516,77 (1916) 516,77 (1916) 516,77 (1916) 516,77 (1916) 516,77 (1916) 51,95 (2/6) 52,10 (191/16) 51,95 (2/6) 52,10 (191/16) 51,95 (2/6) 52,10 (191/16) 51,95 (2/6) 52,10 (191/16) 51,95 (2/6) 52,10 (191/16) 51,95 (2/6) 52,10 (191/16) 51,95 (2/6) 52,10 (191/16) 51,95 (2/6	Nymac Oil & Gas	Paribas Pari	Table Tabl	Cheuno Kong	28 + 0.02 45 + 0.02 560 + 0.26 570 + 0.26 70 + 0.24 00 + 0.84 - 0.84 - 0.84 - 0.84 - 0.84 - 0.84 - 0.85 - 0.85 - 0.85 - 0.85 - 0.85 - 0.85 - 0.95 -
Jan. Jan. Jan. Jan. Jan. Jan. Jan. Jan.	Sydney All Ord. (1836/83) 88,58 288,28 772,18 777,79 288,39 741/89 14857,14 (21/178) 165,77 (1958,074) 165,75 (1958,074) 165,77 (1958,074) 165,77 (1958,074) 165,77 (1958,074) 165,77 (1958,074) 165,77 (1958,074) 165,77 (1958,074) 165,77 (1958,074) 165,78 (1	Numac Oil & Gas	Paribas Pari	Table Tabl	Cheuno Kong	28 + 0.08
Jan. High Low High	Sydney All Ord. (1936/83) 88,58] 288,29] 288,29] 772,13] 777,79] 388,39 (1918) 545,72 (27178) 515,75 (155),749 (7186) 515,75 (155),749 (7186) 515,75 (157)	Numac Oil & Gas	Paribas Pari	Table Tabl	Cheuno Korg	28 + 0.02 45 + 0.02 50 + 0.26 50 + 0.26 70 + 0.24 00 + 0.18 15 - 0.06 60 + 0.18 10 - 0.56 10 - 0.56 10 - 0.18 10 - 0.18

Senior changes

director

(Overseas);

Construction

Christopher J. F. Doble is appointed managing director H. Clarkson (Overseas Holdings).

Mr. Brian M. Waters is made managing director H. Clarkson (U.K.), chairman H. Clarkson (Home). Mr. Christopher L. Burgess becomes managing

director H. Clarkson (Home)

Mr. J. Christopher Beechey has joined the group on Boards of H. Clarkson Marine (Holdings) and H. Clarkson Drilling Insurance Services.

Mr. John Peter Archer, manag-ing director of AMEV Life Assurance and a director of

AMEV has joined the Board of GRESHAM LIFE ASSURANCE

Mr. John Alvey is to he senior director technology in the new

technology executive, telecom-

will have responsibility for the

290m POST OFFICE research

Mr. E. A. Crosby, who was

chairman from incorporation in April 1948 until October 1977 has

retired from the Board of CROSBY SPRING INTERIORS.

He has been elected to the new

office of president, which he will hold for his lifetime. This office is honorary and carries no right

to attend or vote at directors' meetings. Sir Ralph Bateman

Mr. L. J. (Larry) O'Leary has been made deputy managing director of BUSINESS PUBLI-

CATTONS, Mr. A. S. Johnson has been appointed to the Boards of

Associated Business Programmes
AGB Conference Services as publishing director. Other appointments include: Mr. A. Saiter,

special projects director and Mr. D. Bladon, financial controller.

Mr. Barry Alger has been appointed managing director of DUFAYLITE DEVELOPMENTS,

a memher of the Hanson Trust Group. He succeeds Mr. Ian Stewart, who leaves the company

to take the post of chief execu-tive of Northern Amalgamated Industries, a division within the

has been appointed a director.

munications headquarters.

and development programme.

management committee;

managing CLARKSON

Clarkson

Clarkson

Group.

NATIONALISED SHIPBUILDING AND AEROSPACE ASSETS

Smith's Dock

nationalised assets.

compensation purposes,

The Labour Government, con-

The battle for compensation

THE FRUSTRATION of a dozen British engineering companies still seeking compensation for nationalised aerospace and shipnationalised aerospace and snip-building assets is growing per-ceptibly. The Conservative Government, which they bad hoped might prove more sympathetic than its Lahour pre-UNLISTED SECURITIES decessor, bas shown itself just as tough a negotiator, and just as determined to ahide by the compensation principles established under the 1977 nationalisation legislation.
The measure of their frustra-

tion is that the arhitration tribunal established under the Aircraft and Shipbuilding (Industries) Act to rule on unresolved claims looks set at least to double its workload this year. Vosper is poised to refer its claim within weeks as are GEC and Vickers, in respect of the jointly-owned British Aircraft Corporation.

The companies already in arbitration are: Laird for its Scottish Aviation and Cammell Laird interesis; Vickers for its shiphuilding interests: and an undisclosed third company.

Nor may arbitration be the end of the matter. Sir Eric Yarrow says that his company is prepared to go beyond arhitration to the European Court to seek a satisfactory settlement for Yarrow (Ship-huilders). A similar view is huilders). taken hy Vosper chairman Sir

Fourteen compensation settle-ments have so far heen made. Twefve remain under negotiation, with payments on account made to ease company cashflow problems.

Unsurprisingly, there is correlation between speed of settlement and the loss-making potential of the assets concerned. It is in respect of profitable companies — particularly those that have become more profitable since the nationalisafron procedure hegan-that the arguments are fiercest.

COMPENSATION FOR ASSETS NATIONALISED IN 1977 SETTLEMENTS
LISTED SECURITIES:

(Inc. payments Robb Caledon Shipbuilders £1.739m John G. Kincaid (Pref. shares) Barclay, Curle Clelands Shipbuilding Goole Shipbuilding and Repairing Swan Hunter Shipbuilding £15m Swan Hunter Training and Safety John G. Kincaid (Ord. shares) £3.809m Hawker Siddeley Aviation 1 Hawker Siddeley Dynamics i Austen and Pickersgill George Clark and NEM £68:1

PAYMENTS ON ACCOUNT British Aircraft Corp. (Holdings) Scottish Aviation Brooke Marine Cammell Laird Hall Russell Scott Lithgow Scott Lithgow Dry Docks Vickers Shipbuilding Group Vosper Thomeycroft (UK) \\
Vosper Shiprepairers Yarrow (Shipbuilders) Yarrow (Training)

Source: Hansard and Department of Industry

There are two essential prob- element lems behind the continuing interest. Settlements made now failure to settle. One is the length of time which has elapsed since the period fixed for asset evaluation. The other is the act on Relail Price Index over the reliance placed by the Act on negotiation to establish the value of unquoted securities of Relail Price Index over the same period, and the companies have also to forgo the profit potential of re-investment of

their capital.

scious that its return to office in hlocks to outstanding settle-1974 had influenced the share ments is the desire of disprices of assets vulnerable to nationalisation, fixed the six possessed parent companies to relate compensation doe to profits lost since 1974, while the months preceding its election as the period during which the Department stands adamantly average market value of com-panies would he taken for on the 1973-4 evaluation period. In the words of one shipbuilding executive involved in the com-But the rocky ride which the legislation had through both Houses of Parliament, plus subpensation battle, "It's quite unfair to delay six years, and expect us to ahide hy a 1974 sequent managerial problems in price. The way the Act was setting up the two corporations,

written, nohody planned for 1974 payments in 1980-81." rolled their vesting dates for-ward to mid-1977. Three years, then, had elapsed between the In respect of unquoted nationalised companies onset of compensation negotia-BAC, a hypothetical market tions and the period to which value, had they been quoted, has to he established hy nego-When compensation settle- tiation. The instinctive impresments are made, they include an sion that such a formula is a

retrospective recipe for disagreement is borne

out hy events.

The payments on account made to companies still in nego-tiation have inevitably attracted attention as possible indicators of final settlements. There is and period, and the companies undonbtedly some logical hasis ave also to forgo the profit hy which the payments are otential of re-investment of struck. But whether that hasis heir capital.

One of the main stumbling the progress of the negotiations. or the news of the company, is undisclosed.

Vickers. GEC and example, have received a £40m down payment for BAC. The two companies mooted compensation in the order of £200m at the time of nationalisation. Vosper bas received £1.3m. whereas it is helieved to be seeking up to £25m.

Those companies now moving into arbitration must steel themselves for further delays of some two years hefore final settlement is reached. The first stage is for the company and Department of Industry negotiators to prepare "plead- for its Austin and Pickersgill ings," outlining their positions, subsidiary has played a useful

the convenience of the three- for British Shipbuilders in man independent trihumal. 1978-79. Swan Hunter yielded chaired by a QC, to hear it. For £14m compensation, against chaired by a QC, to hear it. For £14m compensation, the tribunal to arrive at its £15.8m losses in 1978-79. judgment may take more than

Beyond that lies referral to the Appeal Court on a disputed point of law, or perhaps Stras-bourg on more fundamental

Q.im

£0.65m

£0.4m

£0.65m

£1,34m

The upshot is that some companies will have waited more than eight years for compensa-tion by the time settlement is reached.

Industry Minister Mr. Adam Butler argues that, "What the Ministers of this Government are trying to do is to arrive at a fair compensation figure, preferahly through negotiation, as quickly as possible. All along, we have had in mind that we must abide hy and not amend the nationalisation legislation."

Mr. Butler's desire for a speedy settlement is no doubt shared by companies like GEC and Vickers, whose nationalised assets have continued to perform strongly since 1974.

Benefits

BAC made a profit of £24m in 1974. This would have been reflected in the interest payable on the £200m 12 per cent Treasury stock suggested as compensation by the companies in 1977. But such mures, would fall considerably hehind the £40m profits earned by BAC in 1976. To counter this, indexation of compensation has been suggested Memhers of Parliament. This bas since been rejected by the

Conservative Government. London and Overseas Freighters These must be mutually part in financing LOP's current legislation which it streng approved. The case then awaits recovery. A and P lost £1m opposed in the first place.

BY ROBERT COTTRELL

The continuing negotiations have left awkward holes in several halance sheets, and the degree of speculative interest the affair adds to their share prices does nothing to offset the damaging effects of uncertainty on their investment programmes. Vickers has been denied access to the equity markets during a period of high inflation," according to its chairman, Sir Peter Matthews.

Vickers bas as yet found no substitute for the profits or cashflow of its nationalised assets. The delay in compensation settlement means that borrowings have stop-gap pushed its annual interest harden up to some £12m, which would be more than wiped out hy a prompt settlement.
Vosper has seen three years

of declining profits, to the point where anticipations of effects of compensation have become as important in assessing the company as its current trading position.

The decision by the Govern ment to sell off part of British Aerospace, and as an eventual possibility British Shipbuilders, has not brought compensation any closer. There is no indication that original parent companies will be given any pre-ferential treatment in reacquiring assets, either directly or through placing of shares in the corporations as wholes.

Legally, the Government's case is impeccable. It regards compensation and re-sale as nationalisation has brought sympathetic attitude to indus-henefits. The £14m paid to try pleas for a more limited. entirely separate issues. . By attitude on compensation, it is determined to derive the maximnm commercial benefit from legislation which it strenuously

at H. Clarkson

Mr. Anthony Howland Jackson pany. C.D.S. and S. is a member has been made chief executive of the Blackwood Hodge Group.

in addition to the position of H. Mr. Ken Grainger has been tor of H. (INSURANCE appointed director of RT MAR. KETING RESEARCH, part of the Gordon Simmons Research HOLDINGS), Mr. R. Ian Crawford-Smith becomes chair-man, H. Clarkson Overseas Group, to co-ordinate inter-national industrial accounts. He retains his position of associate director of GSR and his responsi-bilities for product development surance hrokers. He retains his position as group director of business development. Mr. Christopher J. F. Doble is

Mr. David Barton has joined the OVERTON SHIRLEY AND BARRY PARTNERSHIP. He was formerly with the Bland Payne Group.

Mr. J. Sheppard Poor has been made vice-chairman of MORGAN

Mrs. Valerie Strachan has been

Mr. Peter Haworth, formerly sales director, has been appointed managing director of X-DATA, He is succeeded as sales director by Mr. Tom Blaszkowicz, who has SOCRETY. The companies are all by Mr. Tom Blaszkowicz, who members of the NV AMEV been appointed to the board.

made director of Eastern Euro pean operations for GENERAL MOTORS OVERSEAS CORPORA-TION. Based in London he will be responsible for title super-vision and coordination of General Motors' sales, trade and husiness development activities with, and within, the USSR, Poland, German Democratic Republic, Czechosłovakia, Hungary, Romania, Bulgaria and

Mr. Peter Norton has been project director for CRODA SYNTHETIC CHEMICALS at

CRODA HYDROCARBONS has appointed Mr. David Holmes (chief chemist) and Mr. Francis Hill (chief accountant) to the

lants division of CRODA FOOD INGREDIENTS.

regional controller London: Mr. David Seagrave to regional manager Midlands and Mr. John MacGill to regional manager, Scottish office,

Hanson Trust. Mr. Clive Hallett, controller of personnel at Rank Film Laboratories at Denbam, has been appointed chairman of the ASSO-CIATION OF FILM LABORA-TORY EMPLOYERS, which represents most of the Cinemato-graph Film Processing Laboratories in the UK.

Mr. Edward G. Basham, national sales manager, has been appointed a director of CUMMINS DIESEL SALES AND SERVICE the national distributor for Cummins Engine ComGUARANTY, a Morgan Guaranty Trust aubsidiary in the Euro-hond husiness in London.

appointed a commissioner of

Mr. Charles T. Krause has been

Albania He succeeds Mr. P. Guy Newton, who is retiring:

Four Ashes plant near Wolverhampton.

Mr. R. R. Cox bas been appointed director of the acidu-

ALEX LAWRIE FACTORS has made the following appointments: Mr. Warwick Hughes to marketing controller; Mr. Ian Knox to marketing controller Scotland; Mr. Neil Livingstone to

Mr. L. E. Riley has been appointed chief executive and joint managing director of BAMFORDS following the retirement of Mr. John Varles.

Captain Ian Butcher, deputy general manager, DUBAI PORT SERVICES, has been appointed general manager in succession to Captain Arthur Jarman who has Marshall has been appointed port manager.

Mr. Jim M. Hill, chief executive of Glynwed Tubes and Fittings, has been appointed to the main Board of GLYNWED.

CONTRACTS

Army orders £4m radios RACAL-TACTICOM has received

an order worth 14m from the Ministry of Defence (Procure-ment Executive) for automatic antenna tuning units for use with the British Army's Clansman VHF vehicle radios.

Diesel generating equipment worth £2m to provide additional-hase load power for a South American copper mining compan American copper mining company is to he supplied by MIRRLEES BLACKSTONE (STOCKPORT), a Hawker Siddeley company. The order has been placed by Empresa Minera de Mantos Blancos SA, part of Sonth American Enterprises SA.

The Newcastle office of HUMPHREYS AND GLASGOW SERVICES has been awarded a contract by the City of Newcastle contract by the safty of Newcasue upon Type for the modernisation of over 100 houses. The contract, which is valued at over £im, is Phase II on the Pendower Estate and is scheduled for completion by December. hy December.

Two local authority contracts for home improvements worth f845,202 have been won hy WILLIAM DAVIS AND CO., the Loughborough based construction group. One is from Leicester City Council and involves modernising 75 post World War I council homes at Saffron Lane Estate for a cost of face first Estate for a cost of £435,471.
The other contract, worth £409,731 has been awarded by the Hinckley and Bosworth Borough Council and involves improvements to 72 homes at Rathy, Desford and Dadlington.

OTIS ELEVATOR COMPANY
has won a £1m lift contract for
the installation of 28 lifts in the
Cutlers Gardens office development on the site of an old Port
of London Authority warehouse
complex. The lifts will use
Gamma 160S variable speed AC
drive with microprocessor logic
controllers.

Contracts worth £2m have heen placed by the National Coal Board for general fasteners for Board for general fasteners for the three-year period January 1, 1980 to December 31, 1982. The husiness has been awarded to the following firms: MILLER BRIDGES FASTENINGS, GEN DISTRIBUTORS and BARLOW fasteners.

by the middle of the year.

JOSEPH LORRING has been JOSEPH LORRING has been awarded a contract worth £500,000 for industrial exterior claddings on eight; advanced factory units at present under construction at Milton Keynes for the Milton Keynes Development Corporation. Work involves the supply and fitting of fully insulated PVC colour-coated steel sheeting to verticle, walks steel sheeting to verticle walls and roof in a 48-week construction programme.

Southern Television has placed an order worth over £100,000 with MARCONI COMMUNICATION SYSTEMS, a GEC-Marconi Electronics company, for three studio cameras and one portable from the mark IX family of auto-matic colour television cameras. They will be used in Southern's ontside broadcast van.

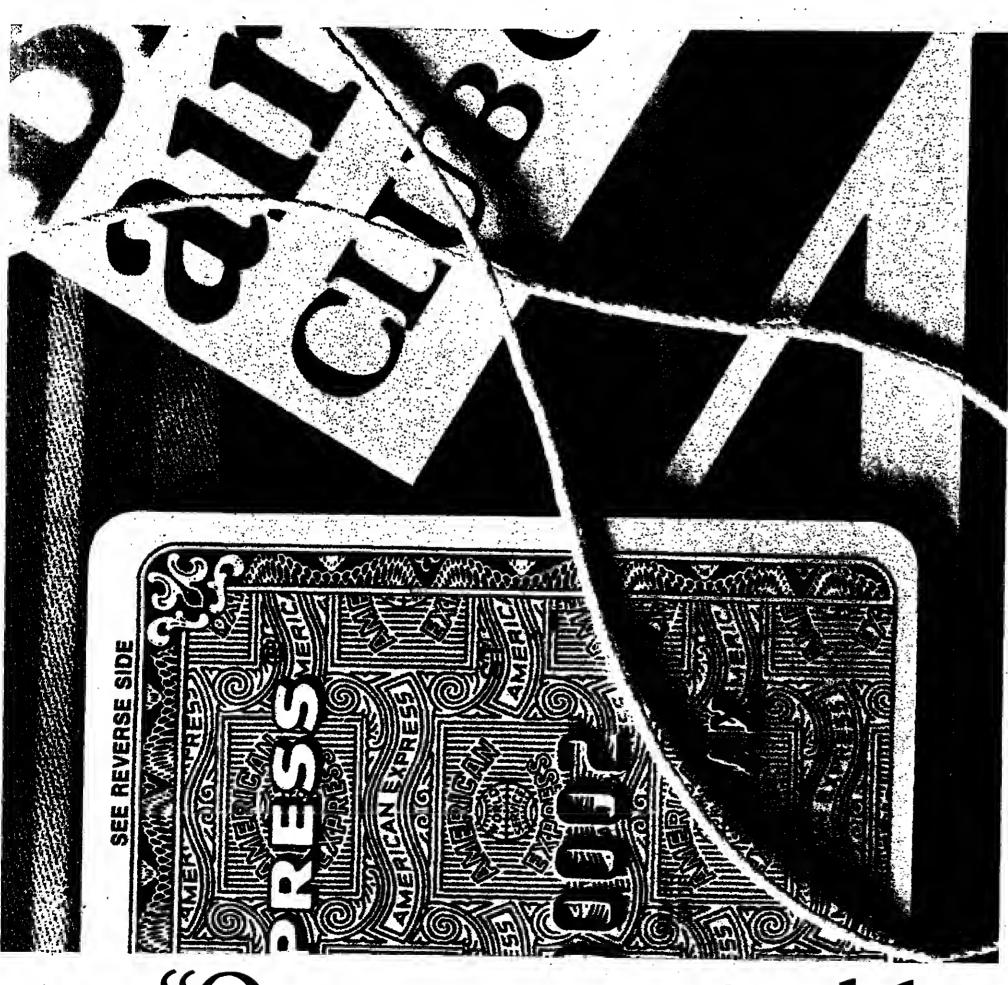
PLESSEY COMMUNICATIONS AND DATA SYSTEMS has received a £2.5m order from the Post Office for 2,000 key-and-lamo units, 850,000 dials for desk and wall telephones and Trim-phones. Deliveries will be com-pleted in 1981.

Contracts worth £2m have been awarded by the National Coal Board for general fasteners for the three-year period from January 1, 1980, to December 31, 1982. The business goes to MILLER BRIDGES FASTENINGS of Walsall, GKN Distributors of Coventry, and BARLOW FASTENERS OF WEDNESBURY, West Midlands.

W. H. ROBERTSON (UK) has won a £335,000 order for the provision of protected metal cladding and sheeting to the Castle Peak Power Station in Hong. Rong. The contract, for a new coal handling plant heing built hy the China Light and Power Company, is for Robertson Galbestos.

FEEDBACK DATA has received an order for TS314 cartridge tape systems from Philips Telecommunicatie B.V. of Hilversum, Holland, worth nearly £400,000. The systems are for use in telephone exchanges being Supplied supplied as part of a massive modernisation programme Saudi Arabia.

BARRATT CONSTRUCTION bas been awarded a £1.91m contract for the building of 124 single by PRECISION AIR CONTROL for the installation of air bead for Banff and Buchan District Council. Work on the services for a new office building contract, which is phase one of the Coplandhill Housing De-Co, agents for Datsun ghirless.



"Once one acquired the Card it was a lot easier to join the Club."

British airways

logether we make travel easier.

BY RICHARD MOONEY

COFFEE PRICES continued their recent decline yesterday with the March futures position on the London market ending £36 down at £1,547.5 a tonne. March coffee has now fallen £59.5 a tonne since the end of last week.

Dealers said the decline reflected the fundamentally bearish" market outlook with the rise in world supply expected to outstrip demand this year. They added that con-firmation that Brazil aimed to sell 15m hags (60 kilos each) this year suggested that coffee from that country

. The discount selling system was resumed last December In order for Brazil to achieve its coffee export target of 12m bags

would continue to be available to big buyers at a

In Rio de Janeiro yester-day Sr. Octavio Rainho, president of the Brazilian Coffee Institute, said Brazil would disclose its 1985 marketing policy "very soon" but he declined to give any details. Traders in Santos

said they expected the Institute to adopt a policy which would make Brazilian coffee competitive on the world

Sr. Rainho said members of the Bogota Group of Latin American coffee producers agreed at last week's meet-ing in Panama to increase the group's price support fund by \$100m, but be refused to say how big the fund now was, or how much extra money had been pledged hy Brazii and Colombia, the world's two biggest producers.

Ha said the proposal to set up a company to run the fund was being studied by Brazil and Colombia but denied reports that Sr. Carlos Alberto Andrade Pinto had been appointed to head the company. No names were discussed at the meeting, he

In the U.S. Hills Bros., General Foods and the Folger Coffee Company have all reduced ground coffee prices by 10 cents a pound.

Speculation boosts sugar

THE RALLY in world sugar prices continued yesterday with the London daily raw price gaining £4 to equal last months' jpeake of £182 a tonne. On the London futures market No. 2 contract raw sugar rose 54.85 to £189.625 a tonne.

Dealers attributed the rise chlefly to speculative buying.
In Havana, meanwhle, the official daily newspaper Granma

said sugar production from tha 1979/80 cane crop bas dropped disturbingly. It said millo were operating at only 76 par cent of capacity on averaga in the first 10 days of this year compsred with 83 per cent in the last 10 days of December.
In London, the International Sugar Organisation said Cuhan sugar exports in the first 10 months of 1979 totalled 6,330,430 tonnes, little changed from the 6,348,720 tonnes exported in the corresponding 1978 period. Exports to the USSR in Jan. Oct. 1979 totalled 3,789,211 tonnes, slightly down on the

omparable 1978 figure of

3,918,696 tonnes.
Exports to China, the second

were also down slightly

Cocoa unsettled by crop export news

BY OUR COMMODITIES EDITOR

resterday by news from Brazil that Cacex, the State-controlled export agency, had freed for export 300,000 bags (of 60 kilos) of new crop cocoaheans and B further 300,000 bags of cocoa products.

The announcement comes at a time when the leading cocoa exporting countries, including Brazil, are supposed not to be selling until prices reach an unspecified minimum level. In fact the Cocoa Producers Alliance is to meet in Accra from Fehruary 25-29 to discuss the progress of the decision to withhold supplies from the market and consider setting up a support fund.

the producers are willing to resume selling if prices exceed £1,510 a tonne, according to an official of the Ghana Cocoa Marketing Board speaking to On the London market the

Meanwhile it now appears that

shipment price for Ghana cocoa was £1,524 a tonne, but Brazilian cocoa io somewhat main recipieot of Cuban sugar, Cheaper and still below £1,510.
were also down slightly On the futures market the May

COCOA TRADERS were puzzled position was marginally higher yesterday at £1,462, after falling to £1,447. Cocoa prices have been sus-

taioed recently by the decision of Ivory Coast to stockpile the new crop until the market rises to a more "reasonable" level Other producers, ootably Brazil, have declared they will oot be selling either. But traders noted that while Brazil had sold a considerable percentage of its main crop before withdrawing from the market, there was a considerable quantity of Wost African cocoa, including that held by the Ivory Coast, yet to

Meanwhile oo the demaod side, the West German Confectionery Association said that grindings by the Industry during the last quarter of 1979 rose hy 1.7 per cent to 39,506 tonnes -much in line with market expectations. But there was ne surprise that Dutch cocoa grindings fell hy as much as 21.6 per cent in December compered with a year ago. Nevertholess Dutch grindings for the whole of 1979 rose to 127,460 egainst 125,910 tonnes in 1978.

N. Zealand maintains lamb exports

NEW ZEALAND will export up to 200,000 tonoes of lamb to Britain this year, about the normal level, inspite of stepping up its exports to Iran, and Inspite of pressure from Common Market countries for a reduction in shipments to

A spokesman for the New Zealand Meat Producers Board said the agreement to supply lamh to Iran for the next four years would not affect shipments to the UK.

New Zealand is nuder pressure from number of Common Market countries, particularly France, to cut its exports to Europe, which they claim adversely affect inter-Community trade. New Zealand is stepping up its exports to Iran by 10 per cent following a request for

extra supplies in the face of possible sanctions by the United Nations and the U.S. The U.S. bas called on New Zealand to join it in a trade ban, NZ prime minister Robert Muldoon said, yesterday,

PHOSPHATES

Morocco's ambitious expansion plan

BY PETER BRUCE, RECENTLY IN MOROCCO

Production Exports

4,300 3,712 2,827

2,699 2,223

468 1,386 1,999 1,843 1,759 1,136

123,982

13,684

4,992

51,899

IN SPITE of gloomy U.S. projections about King Hassan's WORLD PHOSPHATE ROCK PRODUCTION AND EXPORTS ability to shore up the Moroccan economy, maintain a costly war against the Algerian-hacked Polisario Front in the Western Sahara and stay in power, the Moroccan state phosphate group, Office Cherifen des Phosphates ambitious \$4bn programme to boost phosphate production 5 per cent a year for the next five Togo South Africa

Morocco is the world's biggest phosphate exporter—shipping Christmas le most of its 19.3m tonne output Nauru last year to Western Europe's fertiliser manufacturers—and the new five-year plan involves a major expansion in rock processing. OCP hopes at least a third of its output will be converted into phosphoric acid by

And as a fillip to the expension plans, the phosphate io-dustry anticipates ex-country 1980 rock prices—first agree-ments are expected to be signed before the end of this monthwill rise boldly between \$10 and \$13 a tonne to nearly \$50 a tonne for average commercial grades.

Planned increases in production and processing in Morocco over the oext five years involve opening five new mines, two phosphoric acid plants and expansion at an existing processor, and the construction of an export port at Jorf Lasfar, about 60 miles down the coast from Casablanca.

The Moroccan expansion into phosphoric acid production is partly in response to increased political pressure on manu-facturers in Western Europe, Sulphuric acid plants used in the manufacture of phosphoric acid are heavy polluters and applications to increase sulphuric acid capacity in Western Europe meet stiff resistance, Morocco, with no environmentalist lohby to speak of intends moving swiftly to fill the gaps.

A phosphoric acid operation, eventually with eight streams each producing 500 tonnes per day, is due on stream at Jorf Lasfar in 1983.

operating at the port of Saft-Maroc Chemio One and Two and Maroc Phosphore Oce-are also to be supplemented. A fourth unit is to come on stream next

Morocco's biggest phosphate rock producer at present is the tioo in London, the Moroccans bope to increase Khouribga production to 24m tonnes by 1985. A second mina ln the

Khouribge field, at Sidi Hajjaj, is due to open in 1984. Its export rock will be washed and dried at heneficiation plants due to come on stream at Jorf Lasfar in 1983. Sidi Hajjaj will initially produce 3m tonnes a year, rising to 6m tonnes by the end of 1989.

Youssoufia, bas an annual rock capacity of 6m tonnes-3.9m tonnes underground and 2.1m toooes from open cast mining. The five-year plan, Morocco's first major recovery effort since the phosphate crash of 1976, incorporates a production increase in Youssoufia hlackrock (high in organic carbon and treated

3.5m tonnes from the 400,000 tonnes produced last year. Three new blackrock mines are to be dug at Youssoufia.

Another 2m tonnes a year mino is due on atresm this mooth at Ben Guerir, just north of the Youssoufia field.

While Moroccan expansion in processing and exporting chemi-cala may look efficient on paper, there are risks involved Morocco lost two months' acid production last year when atrikes, transport difficulties and a bard winter hit supplies of sulphur from Canada and Poland. A heavier dependence on aulpbur imports will inevitably open the local industry, and the oltimate success of the plan, to circumstances outside Moroccan control.

The bottom almost dropped out of the phosphate market in 1976 after the Moroccans raised phosphate prices from \$14 per tonne in 1973 to \$68 per tonne hy mid-1975 and ran headlong Into the post-1973 oil-induced recession. By the beginning of 1977, prices had dropped some \$30 per tonne and as farmers, Khouringa field, south-east of forced by circumstances to re-Casahlanca, with a capacity in examine planting practices, disthe area now being worked of covered they had been using too 18m tonnes a year-15m tonnes much fertiliser anyway, cut hack in opeo cast mioes. According oo usage, the Moroccan plan to the Britisb Sulphur Corpora-will concentrate oo meeting iocreases in world cultivation.

A general rise of more than \$10 per toppe in rock prices will no doubt come as something of a bonus to Morocco, and this time the rise will have been led by the U.S., the world's biggest producer. American producers, who serve chiefly the domestic market, have nearly worked out deposits in north central Florids and face the unhappy prospect of having to move to more Morocco's other big field, difficult terrain in the south.

> Estimates of the cost increases likely to result from such a move range up to \$40 per

A price rise of the order now

expected has been threatening for some time but there may he some comfort for Western Europe's importers if freight first hy calcination). Office rates fell in the wake of Presi-Three acid plants, wholly- Cherifien des Phosphates hopes dent Carter's embargo on grai owned OCP subsidiaries, now to raise blackrock output to shipments to the Soviet Unioo. dent Carter's embargo on grain

REACTION TO THE U.S. EMBARGO

No promises from the South Americans

oq.

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** 727240 1

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4.00

1.800

14 ST

A MEETING in Washington between representatives of has made no significant sales. The cutback in U.S. grain Brazil, Argentina and the U.S. to Moscow, la expected to proon Monday produced no commitment by the South Americans year,
to support the U.S. partial Both countries have informal
embargo on grain exports, commitments to traditional
Noither country would agree to customers which would be the Agriculture Department request to bold soyabean sales to the USSR to "normal trade .c ::ls."

Soyabean exports are of special concern to the Agriculture Department becausa they are among the 17m tonnes of cereals on the list of products to be embargoed,

Karlos Rischbieter said Satur the current marketing year, a day that the partial U.S. shortfall of 10m from the 34m embargo bad produced a situation from which his country hargo according to Thomas could benefit Brazil is expected Saylor, associate administrator to grow 13.5m metric tons of of the Foreign Agriculture Sersoyabeans this year. In the vice in Washington. past it has exported as much soyabean products a year to the 3m tonnes is expected to leak USSR. through the embargo through

£ £ £ £

Amalgemeted Metal Trading reported

Argentina, which in the past various channels, he said.

broken only with much higher blds from Russia.

to sell the Russians 1.4m tonnes of soyabeans, 400,000 tonnes of soyabean meal and 79,000 tonnes of soya oil this year. The Soviet Union is expected to import roughly 24m tonnes Brazilian Treasury Minister of grains from all sources in estimated before the U.S. em-

The U.S. wil lbave denied the as 1m tonnes of soyabeans and USSR 14m tonnes, but about

Longshoremen's Association boycotts loading of 3m tonnes which would he permitted by the U.S. Government. In London British grain

traders say there is an active Before President Carter's demand for export rehate certiembargo, the U.S. had expected ficates which could provide the means for shipping a large quantity of French wheat to the Soviet Union. They say the effective resala alue of these certificates,

which provide the option of exporting to various destinations, including Soviet Baltic and Black Sea ports, has risen sharply. Business is likely to total at least 50,000 tonnes, they add, with some traders placing the amount as high as around

Meanwhile fears that Poland

yesterday.

Western observers feel it would he impossible for Poland to tranship grain to the USSR to make up for the U.S. grain embargo. Poland is expected to seek an estimated 8.1m tonnes of grain and 250,000 tonnes of soyabeens, meal and oil in 1980. western observers said.

The disastrous grain barvest of 1979 has left Poland with the need to import around 11.5m tonnes to cover domestic needs estimated at ahout 29m tonnes, But the country'o grain import handling capacity is estimated at 8.1m tonnes at the most,

Last year Poland mainly bought grains from the U.S., Canada and the EEC totaling 7.3m tonnes.

Poland also purchased 493,000 tonnes of wheat from the Soviet Union in 1979, of which 80,000 tonnes came from the U.S. But there are no provisions for grain imports from the Soviet Union might re-direct grain imports to imports from the Soviet Union the USSR were discounted in this year's Soviet-Polish deal.

	Jan. 15 1980	+_or	Month 890	high prices eatabilished in the process. Copper prices edvenced in sympathy and registered moderate gains. Suger millied on news of further Soviet buy- ing and of widespreed contamination
Metala				of cone fields with rust, but could not hold the gelna. Anticipation of price
Altterinitum	£770/810*	+00	£760/70	reductions by arezil in order to fill
Free Mkt (es)	O ISON 1800		\$170U/18	export quotes wee responsible for the
Cash w bar	£1.08a	+88	2994.5	aherp price drep. Cocoa prices
u mtha	251.000.0	+19.25	£999.0	responded on the upside to moderate
Cash Cathode	£1,034.0	+26,5	£968	frede buying. Meize and wheat closed
Omthe	21.065	HZ1.5	£981	elightly higher while soyobeens closed frectionally lower on moderate trading.
Gold troy oz	3687.5	+11,5	3478.S	Cotton traded moderelaly higher, but
Lead cash	6440 5		£508,S	the neerby futures come under Ista
Makal	E.S. 190.76		£3.280.17	pressure due to prefit-taking, reported
Freemkt(elf (lb	880/51ac		270/510c	Hainold.
	5	1		Potatoes (round whites)-March 58.0
Platin'mtr'y oz	足189.0		£175.0	(58.0), April 64.3 (63.0), May 73.5
Free mkt	£878.00	+30.8	EX76,15	74.0, Nov 9eles: 481.
Quicksil'ver Silver troy oz	1010 700	- 187 0	1000 945	Tin-799.00-804.00 aaked (780.00-
5 months	1984 70p	+172 R	1090.100	788.00).
			£7.700	CHICAGO, January 15.
Tin Cash				Lard-Chicago locee 20.50. New
Tungsten22.04/b		T	819a.75	York orime ateem uneveilable.
Wolfrm 22.04 le			8129.5 134	Live Cattle—Jan. 65.50 (65.40), Fab.
Zinc cash	£088.5	<u>—8</u>	£380.0	66.75-66.60 (66.22), April 69.10-69.00, Juna 71.30-71.40, Aug. 71.35-71.25, Oct.
months	£349.5		£968.20	69.85-70.05. Oac. 70.65-71.15. Jan
Producers	\$780		8780	Feb
Oils		1	1	Live Hogs-Fab. 40.20 (40.85), April
Cocondt (Phill.	6900a	+10	\$890	39.30-39.35 (39.42), Juna 42.55-42.85,
Oroundnut		ļ		July 43.45-43.55, Aug. 42.55, Oct. 41.52,
Linesed Grude.			2395	Dec. 43,85, Feb. 45.35, April 45.30.
Palm Malayan,	POODS	····	\$500	##Maize-March 27112-27114 (27012).
Seeds				May 2843-284 (2831 ₂), July 2931-293,
Dopra Philip	8580r		\$582,50	Sept. 299's, Oec. 304's-305, Merch
Soyabean(U.S.I	\$200H		\$289,SO	3164.
Grains Barley Futures	eas an	+0.65	£97.00	
Maize	220.00	70.40	23,00	EUROPEAN MARK
	_	•		

Auger Pref. Yest rdays Previous Ausiness Comm. Close Close Done Con.

£ por tonno

Oct. 189.58-39.70 lb4.50-84.65[190.00-85.00

Seles: 7,730 (6,550) lots of 50 tonnes.
Tota and Lyle ex-rafenery price lor gmnulated besia white suger was 2318.70 (same) a tonne for homo trade and £259.00 (£256.50) for aspert. International Sugar Agreement (U.8. cents per peumd fob and stowed Caribbeen pprt). Pricee for Januery 14. Oeily price 10.27 (15.56), 10-day everage 15.21 (15.12).
No. 4 CONTRACT—Close (In order buyer, asiler only): May 188.50, 189.00; Aug. 163.00, 168.50; Oert. 187.75, 168.25; Jen. 187.50, 188.25; Merch 189.25. 189.35; May 190.00, 190.40, Salee: 180 (218). order buyer, seller, bueinese, eales): Feb. 189.00, 190.00, 190.00, 163; April

SYDNEY GREASY WOOL—Close (in order buyer, seller, business, selles). Australien cants per pound. Mileron Contract: March 447.0, 449.0, 449.0, 445.0, 53; May 459.5, 470.0, 476.0-489.0, 153; July 488.0, 488.5, 489.0-484.0, 201;

AMERICAN MARKETS

NEW YORK, January 15,
GOLD ANO ailver advenced egoin
imir up on short-covering by commission houses with new hierorically
high prices earabilished in the procese.
Copper prices edvenced in sympethy
and registered moderate gains. Sugar
rallied on news of further Soviet buy-Pork Ballies—Feb. 41.70-41.55 (41.77), Merch 42.85-42.55 (46.62), May 44.25-44.70, July 48.10, Aug. 45.40-45.30, Feb. 52.00, March —, May —, July —, Sliver—Jan. 4675.0 (4270.0), Feb. 3665.0 (3585.0), Merch 3697.0, April 3732.0, June 3779.0, Aug. 3623.0, Oct. 3870.0, Dec. 3915.0. Feb. 3955.0, April 4000.0, June 4045.P, Aug. 4090.0, Oct. 4135.0, Oac. 4180.0, Feb. 4225.0, April 4277.2, June 4318.9, Aug. 4758.5 railied on news of further Soviet buy-ing and of wideepreed contamination of cone fields with rust, but could not hold the gains. Anticipation of price reductions by Brazil in order to fill export quotas wes responsible for the aherp price drep. Cocos prices responded on the Upside to moderate freds buyins. Major and wheat closed 4277.2, June 4318.9, Aug. 4358.S.

‡Soyabeana—Jen. 639*2-640 (640*2). Minch 656*2-656 (658), May 679-678. July 697, Aug. 706, Sept. 710, Nov. 719-719*2, Jen. 736*2-737. reads buying. Meize and wheat closed alightly higher while soyobeens closed fractionelly lower on moderate trading. Cotton traded moderalaly higher, but the neerby futures come under iste pressure due to prefit-taking, reported Hainald. ||Soyebean Meal—Jan. 182.00-181.80 (179.90), March 185.30-185.00 (183.30), May 189.70-189 50, July 194.30, Aug. 196.00, Sept. 199.50, Oct. 200.50-201.00, 0ac. 204.00, Jan. 105.00, March 207.00-Halnold.

Potatoes (round whites)—March 58.0 (58.0), April 64.3 (63.0), May 73.5-74.0, Nov. ——, Seles: 481.

Tin—798.00-804.00 aaked (780.00-788.00)

Soyebean OII — Jen. 23.05-22.95 (23.20), Merch 23.47-23.43 (23.65), May 23.78-23.80, July 24.07-24.10, Aug. 24.35, Seot. 24.50, Oct. 24.70, Dec. 55.00-24.95, Jen. 25.00-24.95, March 25.15 25.00-24.95, Jen. 25.00-24.95, March 25.1S.

*Wheat—March 432**_433 (426**_a*), May 443-443**_y (437**_1*). July 450-451, Sapt. 452**_453, Oec. 479**_y, March 457.

WINNIPEG, Januery 15. §Barley—March 120.00 (118.50), Mey 119.10 (118.40), July 117.10, Oct. 112.20, All canta per pound ax-warehouse unleas otherwise stetad. *\$ par troy ounce. † Cents per troy ounce. † Cents per follo bushef. | \$ per short ton 12.700 lbs). § \$Con. per metric ton. §\$ \$ per 1,000 sq. leat. ‡ Cents per dozen.

33,0-33,35 (33,42), Juna 42,55-42,85, July 43,45-43,55, Aug. 42,55, Oct. 41,52, Dec. 43,65, Feb. 45,35, April 45,30, 11Maize—March 2711-2711, (2701), May 2843-284, (2831), July 2831-283, Sept. 2991, Oec. 3043-305, March 2141. **EUROPEAN MARKETS**

ROTTEROAM, January 10.

Wheet—U.S. No. 2 Oark Hard Wintar, 13.5 per cent, Feb. \$198. March \$198. U.S. Hard Wintar ordinary unquoted. U.S. No. 2 Red Wintar Feb. \$193. March \$195. U.S. No. 2 Red Wintar Feb. \$193. March \$248.50, Jan. \$246, Feb. \$243.50, March \$242.50 April-Spart \$244. Nov. March \$165. U.S. No. 2 Northerm \$200. Feb. \$205. March \$207.90, April-Mey \$197. Maize—U.2. No. 3 Corn Yellow affoat \$130. Jan. \$127. Feb. \$128.50, March \$242.50, Jan. \$252.50, March \$249. April-Mey \$246.50, April-Spart \$244. Nov. March \$265. April-Mey \$246.50, April-Spart \$244. Nov. March \$265. April-Mey \$246.50, April-Spart \$249. April-Mey \$137.50, Jan. \$130.50, Coc. (Ffr per 100 kilos)—Merch \$131.50, April \$277.50, May \$279.25, June \$284.50, July \$288. Aug. \$288, Sapt. \$281, Oct. \$293.25, Nov. \$282, Occ. \$298.75, Jen. \$303 sellars, Jen. \$1805. Salas et call \$3.

DOW JONES INDICES Dow Jan. Jan. Month Year Jones 14 11 ago ago FINANCIAL TIMES Jan 14Jan. 11 M nth agolyear ago Bpot ... 418.87 417.81417.83578.51 Ftur : 422.20 428.66426.24574.06 290.44 290.12 224.55 283.38 (Avarege 1924-25-26=100) (8see: July 1, 1952=100)

MOODY'S REUTERS Jan. 14µan. 11 M'nth agp Year ago Jan. 15 Jan. 14 Minth agolyear ago 1400.8 1001.2 1230,0 990.1 1706.0 1701.8 1708.2 1498.9 (8ese: Saptembar 16. 1931 = 100) (Oecember 31, 1931 = 100)

Moroccen: 3/6'e 4.00-4.80; Cyprue: 128/
162 3.40-4.00; Coralcan: 2.50-3.00.
Lemona—Italien: 100/190'e 5.70-0.00;
Cyprue: 11-kg 84/120'e 3.80-5.20; 5-kg
45/56'e 2.20-2.50. Grapefruh—Cyprus:
2.80-3.40; 20-kg 3.60-4.50; Jafe; Large
boxee 32/88'e 5.80-4.80; Floride: Pink
fleeh 35/48'a 4.80-5.60. Bours/Bittera—
Spenieh: 4.30-4.50. Apples—Franch:
Golden Delcious, boxes 40 ibs 138/175 MEAT COMMISSION—Average fatelock prices et representative markats
on Jenuary 16. GB carlle 79.68p per
kg lw (+0.77). UK sheep 133.9p
per kg est dow (-1.6); GB pige 68.6p
per kg lw (+6.0).

5MITHFIELD—Pence per pound. Beeft:
Scottlah killed eides 64.0 to 88.0; Elre
hindquarters 74.0 to 78.0, lorequerters
47.0 to 49.0, Lamb: English email 55.0
to 80.0, medium 52.0 to 50.0, heavy
42.0 to 51.0. Imperted frozen: NZ PI.
51.0 to 52.0, PM 50.0 to 50.0, heavy
42.0 to 51.0. Imperted frozen: NZ PI.
51.0 to 52.0, PM 50.0 to 50.0, beavy
42.0 to 51.0. Imperted frozen: NZ PI.
51.0 to 52.0, PM 50.0 to 50.0, beavy
42.0 to 51.0. Imperted frozen: NZ PI.
51.0 to 62.0, PM 50.0 to 50.0, beavy
42.0 to 51.0. Imperted frozen: NZ PI.
51.0 to 62.0, PM 50.0 to 50.0, beavy
42.0 to 51.0. Imperted frozen: NZ PI.
51.0 to 80.0, medium 52.0 to 50.0, beavy
42.0 to 51.0. Imperted frozen: NZ PI.
51.0 to 82.0, PM 50.0 to 50.0, beavy
42.0 to 51.0. Imperted frozen: NZ PI.
51.0 to 80.0 Ports.
English, under 100 ib 38.0 to 50.0, beavy
4.50 to 50.0, perk:
English Produce: Per 12, reund 1.602.80-3.20, 40 ibs 5.60-6.20; Btark-rich Bearle Produce Pro pound 3ramley
42.0 to 51.0. Imperted frozen: NZ PI.
51.0 to 62.0, PM 50.0 to 50.0, beavy
4.50 to 50.0, medium 52.0 to 50.0, beavy
4.50 to 50.0, medium 52.0 to 50.0, beavy
4.50 to 80.0, medium 52.0 to 50.0, beavy
4.50 to 80.0, medium 52.0 to 50.0, beavy
4.50 to 80.0, medium 52.0 to 50.0, beavy
4.50 to 60.0 so.0 to 60.0 s

Cepsicums—Per pound Cenary: 0.35.
Celery—American: 36'a 13.00; Israell:
20/24'a 8.80: Spanish: 5.50. Caufiflowers—French: 24's 7.50; Jaraey: 7.00.
Potatoes—Itelien: Bozes 20 lbs 2.903.00. Detes—Tunisian: 30'a per box
0.36-0.42: Californisn: Per pound 0.300.31. Weinuts—Chinase: Per pound
dry 30mm 0.32-0.33. 8razila—LWM per
peund 0.24-0.26. Medium 0.20-0.22.
English Produca: Potatoes—Per bag
240.3.10. Lettuce—Per 12. reund 1.60-

Three months Gold 708.2-717.5 I.G. Index Limited 01-351 3466. 1. Tax-free trading on commodity futures. 2. The commodity futures market for the small investor.

29 Lamont Road, London SW10 0HS.

BRITISH COMMODITY MARKETS

CORAL INDEX: Close 438-443 (-4)

INSURANCE BASE RATES

Property Growth 151% Vanhrugh Guaranteed 141% Address shown under Incurance and Property Table.

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PUBLIC NOTICES

METROPOLITAN BOROLIGH COUNCE.

51,000,000 2Hs bound 16-1.80 in
15 57/54% to mature 16-4.80. Total
applications were 29.5m and there are
63m bils outstanding. applications were a second of the control of the co

GRIMSBY BOROUGH COUNCIL

£300,000 bills issued 16.1.60 €
15.57/64% to mature 16.4.80. Total
spolications were £2.7m and these are
the only outstanding titls.

2 2 2

matal rieing to £7,820 in the moming end £8,000 in the eftermoon. Turnover 1,745 tonnes.	Cesh 453-4 +14 450-2 +11,5 5 months 401-2 +14 449-50 +12 S'ment 454 +14
TIN Official - Unofficial -	Morning: Cash £452, 54, 55, 54, three months £449, 50, 50, S, O1, 51.5, 50,
High Grado £ £ £ £	52, 01, 52. Kerb: Three months £451,
Cash 7820-50 +400 7870-800 +425	48, 47, 46, 45. Aftempon: Three
3 months 7285-300 +62.5 7920-40 +80	montha £446, 48.5, 46, 47, 49, 48.5, 48,
Settlem't 7850 +400 -	50. Kerb; Three months £452, 49, 50,
Standard	52, 53, 54.
Cash 7880-60 +400 7870-8000 +425	ZINCMoved narrowty in quiet
3 months 7270-80 +52.5 7310-5 +77.5	trading. Forward metal traded around
Settlem t 7800 +409	
Straits. E. 182119 +3	during the day to close the lare karb
NewYork	at FRA1 reflection lack of interest

Morning: Standard, cash £7,730, 7,820, three months £7,270, 80, 75.	at £341, reflecting lack of interest Turnover 4,325 tonnee.
Kerbs: Standard, three months £7,270, 50, 40, Aframoon: Standard, cash	ZINC Official + or p.m. + o
17,820, 50, three months £7,270, 50, 7,300, 20, 10. Kerber Standard, three months £7,320, 15.	Cash 093-90 -1 928-9 -3 0 months 044-0 545-4 -1
Three months Gold 708.2-717.2	S'ment 590 -1 -57,0
HS. modity futures.	Morning: Three months, 2345, 44 45, 44.5. Afternoon: Three months 2344. Kerb: Three months 2341. ALUMINIUM—Higher. The rise in

!	[Num A. 25] — 1 """, -21'0 (#""
	Morning: Three months, £345, 44,
	45, 44.5. Afternoon: Three months
	E344. Kerb: Three months £341.
	ALUMINIUM Higher. The rise - in
	copper and good general damend asw
	forward metal move up gradually from
٠.	£902 on the early pre-market to close
	the late kerb at £909. Tumover 6,050 tonnes.
1	Alumin'm a.m. Hort p.m. 14-or

100 the late in tonnes.	tha early	рге-п	nerket to	close
Alumin'm	a.m. Official	t + or -	p.m. Unoffic'i	140
Spot S months	£ 281,5-4,3 903-,5	₽ +17.3 +7.75	2 220-0 905-4	£ +2,3 +5

S months	908-,5	7.75 9	05-4
Moming £905, 8,	Cash £8	24.5, th	ree mont
Three mo £920, thre	nthe £903.	Afteri 2904, 05,	oon: Ca 04. Ka
Three mor NICKEL metals.	Moved U	p in line	with oth
£2,880 en	d advance	d to £2,	,945 befo

MICKEL metals £2,880 er	Moved Forward Id edveno n profit-to at £2,0	up in meta ed to eking	i opener 22,945 b to close	oti eic eic
NICKEL	a.m. Official	+ or	p.m. Unoffici'	+
				_

*Cents per pound. \$5M per plous.
† On previous unofficial close.
Morning: Cash £2,850, 30, threa
monthe £2,910, 30, 35, 40, 45, 35, 30.
Kerb: Three months £2,929. Afternoon:
Cash £2,830, three months £2,820, 25,
20, 15, 20. Kerb: Three months £2,910,
20.

Silver was fixed at a record 1,918.7p an ounce for spot delivery in the London buillon merket yeaterday, e rise of 183.5p from the previous fixing. U.S. cent equivalents of the fixing levels were: Spot 4,400c, up 425c; three-month 4,455.3c, up 445.6c; eixmonth 4,556.cc ap 455.4c apd 12-month month 4,526c, ep 485.4c; and 12-month 4,599c, up 419.7c. The metal opened at 1.840-1,870p (4,200-4,500c) and closed at 1,920-1,990p (4,375-4,525c).

LME—Tumover 172 (213) lots of 10,000 ozs. Moming: Ceah 1,918, three menting 1,930, 40, 45, 50, 48, 45, 45. Karbs: Untraded. Altamoon: three months 1,940, 50, 45, 50, 60, 70, 80, 75, 80, 70, 80, 75, 79. Karbs: Three months

COCOA in a day of little incident futures traded within a nerrow range closing at the highe some 25 above Monday evaning. Physicals, eithough naglected by the producers extracted interest from good interest for forward positions but were content to ignore those nearby, reported Gill and Duffus.

COCOA	Yesterd'ys Close	+ or	Business
March		+5.0	1471-53
May July		14.0 +9.0	1462-47 1470-08
Sep	1480-85	-1.0	1489-77 1802
Doc Maroh	1090-40	-2.5	1002
May	: 1055-68	⊢ 3,0	

COFFEE

Robustae opened £20-£25 lower following a limit down situation in New York (attures and further etrength in starting, reported Omzei Burnhem Lambert. The merket failed to recover any losses during the effection but hald in a narrow renge for most of the session in mixed dealings until the close when prices weekened under commission house selling to finish ere and the lower of the dey.

+or Business

(CS (ndicator prices for Jan. 14 (cents per pound). Other Mild Arabicas 177.33 (178.67). Robustes ICA 1976 165.50 (186.00). ICA 1968 185.75 (166.25). Unweaked Arabicas 218.00 (seme). Comp. daily ICA 1968 196.72 (187.36). Sales: 3,926 (2,850) lots of S tonnes.

GRAINS

The market opened 30p higher on old creps, end remeined steady with values increasing in good trading conditions to close firm, 70-80 up on wheat and 65-70p up on berley. New creps elso stayed firm, Acli reported. BARLEY Yest'rdays + or Yost'rday + or close —

Nov. 101.00 ;40.55 97.90 +0.00

Bueiness done—Wheat: Jan. 96.10.
96.90, Merch 99.35-98.80, May 103.75-103.25, Sept. 97.40-97.25, Nov. 101.00-100.80, Seles: 328 lots of 100 tonnes. Barley: Jen. 92.55-92.25, Merch 95.95-95.50, Mey 100.05-89.65, Sept. 94.30-94.05, Nov. 97.90-97.70, Seles: 317 lots of 100 tonnes. 1MPORTED — Wheat: U.5. Derk Northem Spring No. 2, 14 per sont. Jen. 96.50, Feb. 98.50, March 99.75. Transhipment East Coest. U.S. Hard Winter 13½ per cont. Feb. 94.50, Merch 95.50, Trenshipment East Coest. Malze: French. Jan. 115.00, Feb. 116.50. Quoted East Coest. Barley: English feed fob. Jan. 97. Jen./Merch 98.50, April/June 104.95. East Coest. Rest unquered.

April/June 104.95. East Coest. Hest unquoted,
HGCA — Locational ex lerm spot prices. Feed barley: S. East 92.20,
S. West 93.80, W. Midlands 92.90,
N. West 92.90, Other milling wheat:
W. Midlends 96.50. The UK Monstary
Coefficient for the week beginning Monday, Jenuery 21 (based on HGCA calculations using five days exchange rates) is expected to decrease to 1,086.

The London physical market oponed unchanged, with good interest throughout the day, closing on a firm note.

godown price of 320 (322.5) cents e kg (buyer, February) No. 1 Yest'rdays Previous Quain

R.S.S.	Close	Close	Done
<u> </u>		,	1
Feb	72, 10-72.BO		072,60-71,00
Маг	75.60-78.75	74,20-74.2	674,20-72,40
Anr. Ine	75.06.75,15	74.96-75.0	076.80-73,80
IIv. Sept	76.20-72.66		076,36-76-60
not- Dec	78.10-78.13		572.50-77.50
lan-Mari	79,70-72.05	72.50-73.2	
Apr-Ino	81,20-81.25		0.80,50-80,45
Ily Sent	82.80-85.00		0,82,60-02,50
Dot-Doo	84.20-85.00	84,56-84.6	

Sales: 476 (618) at 15 tones: 427 (232) at 5 lonnee. Physical closing prices (buyer) were: 5pet 71.60p (72.75p), Feb. 70.75p (71.00p): Merch 72.00p (71.75p). SOYABEAN MEAL The London market opened stronger sterling, reperted T. Roddick but business was dull thin throughout the day and merket finished at opening levels.

101 KOL 11111		PC0	1010101
	Yest'ro'y Closs	+or	Aveiness Done
	£	1	
ebruary	pertonne 121,99-21,2	+1.05.	21,00-20.80
prii una	112.50-16.5	0.40,1	18.50 <u>-</u> 2.00
ug ust	112.50-17.4	-0.90(1	16,50
ctober ecember -	118.00-16.5	+0.25	15.50
ebruary	119.50-20.8	-0.10	_

LONOON DAILY PRICE (raw suger)
£182.00 (£178.00) e tonne cif for Jen.Feb. shipmant. White suger daily price
was £180.00 (£188.00).
Renewed buying from commission
houses on a chart beets absorbed substamiral sailing interest and prices
begen to move shead. A brief reaction
of some £2.00 occurred early sternoon
following a diseppeiniling Naw York
opening but the lows wom shortlived
and closing prices were the high peints
of the day, reported C. Czarnikow.

Salas: 28 (25) lots of 100 tonnas.

Feb. 189.00, 190.00, 190.00, 163; April 180.00, 185.00, nii. nii: July unqueted, 150.00, 1; Sept., Nov., Feb., April eli unqueted. Seles: 164.

JUTE—Jen./Feb. C end F Dundee: BWC £222, BWD £192, BTB £270, BTC £239, BTD £209, C and F Antwerp Jen./Feb: BWC \$458, 8WD \$420, 8T8 \$590, 8TC \$528, 8TD \$458. Jute Gopde Jen. C end F Dundee: 40 in 10 oz

WOOL FUTURES

153; July 488.0, 488.5, 489.0-484.0, 201; Oct. 489.5, 490.0, 491.0-485.0, 98; Dec. 489.0, 490.0, 490.0-486.0, 105; March 491.0, 493.0, 491.0-487.5, 16; Mey 491.0, 482.0, 482.0-480.0, 4; July 492.5, 495.0,

PRICE CHANGES

in tennes ur	1859 Olher		
	Jan, 15 1980	+_or	Month ago
Metala Aluminium Free Mkt (es)	£770/810* 01850; 1950	+00	£760/70 \$1760/18
Cold trou or	£1,054.0 £1,065	+19,25 +26,5 +21.5	
Lead cash S mthe Niokel Freemkt(cif (lb	£449.5 £3,190.76 880/512c		£508,5 £3,280,17 £70,3160
Platin'mtr'y oz Free mkt Quicksil'ver Sliver troy oz 5 months	\$590/400 1919.70p	+30.8 +165.8	8675/980 1000.84p
Tin Cash 9 mths Tungsten22.04/b Wolfrm 22,04 lbs	£7,512,5 \$13a \$148/146	+ 77.5	£7,700 £7,445 \$192,75 \$129.5134

Franch NooAM; :£118

r Jan.-Fab. e Fab. v-Feb.-March. r March-April. u April. z Indicator. § 2uysr. • Prico changa ratera to Alcan only. ‡ Nominel.

LONDON GREASY WOOL—Close (In order buyer, sellsr only). Pence per pound: March/May/July/Oct/Dec./March/May/July 232.0, 242.0.
NEW ZEALANII CRO88BREDS—Close (in order buyer, sailer only): Merch 188.0, 198.0; Mey 188.0, 198.0; July/Oct./Dec./March/May/July 187.0, 197.0. COTTON

LIVERPOOL—Spot and ehipment seles emounted to 191 tonnes, bringing the total for the week so far to 411 tonnes. Operations wars patchy, but usem wented to meintain aupolias. Firmer prices etimulated demand in North American and Middla Esstern

HIDES-Birmingham; Slightly weeker.

Second cleers. Ox. 31-35.5 kilos, 52.0p s kilo (53.9p): 28-30.5 kilos, 60.0p (63.5p): 22-25.5 kilos, 71.1p (74.5p). Light cowe, 71.0p (72.0p) s kilo with-**MEAT/VEGETABLES**

Equities boil over but Government stocks hold firm and Gold shares bound on surging bullion price

Account Dealing Dates Ontions

*First Declara- Last Account Dealings tions Dealings Day Dec. 28 Jan. 10 Jan. 11 Jan. 21 Jan. 14 Jan. 24 Jan. 25 Feb. 4
Jan. 28 Feb. 7 Feb. 8 Feb. 18
" New time" dealings may take
place from 2.30 sm two business days

A generally cautious Press about the prospect of an early end to the steel dispute together international situation gave equity dealers cause to mark leading abares easier vesterday. The adverse influences made no impression on Gilt-edged securities, however, and South African Gold shares continued to boom rise in the bullion price.

Ripe for a technical reaction after the previous five-day up-surge, which resulted in a rise of 30 points in the FT 30-share index, leading equities were opened several pence lower. Only a modarate volume of profittaking developed though, and a recovery began once it was absorbed. Institutional huyers were much less keen than of late and business came to a neor standstill awaiting the December trade returns.

The figures were announced at the official close and on first sight seemed slightly ancouraging so prices began to nudge forward again with the result that the index, after having recorded a fall of 7.7 at 10.00 am and one of 4.5 at 3.00 pm, furthered the rally to close 4.1 down on balance at 441.7. The reduction in overall trode was illustrated by total hargains of 25,427 compared with

Monday's 26,103. The presence of overseas funds, mainly directed at the aborts, ensured a continuation of the firm trend in Government stocks. Gains extending to 2 half-point were retained by shorter-dated stocks despite a lote easier tendency in the longs which saw rises also of 1, eventually erased. Specialist demand for the lowcoupon Exchequer 3 per cent 1981 io cleao form resulted io an

outstanding gain of 7 to 881. A good two-way trade was gola evident at the longer end of the market with foreign investment still concentrating on Wor Loan 31 per cent, up a point more at 331; stock continued to be in short supply and this contributed to the streogth in War Loan and other irredeemables.

Foreign Railways provided a feature in Antofagasta which, largely on the efforts of one buyer, jumped 5 points to a 1979-

Fields which contributed 638 still on speculation that targets trades to a total of 1.089.

A fresh boot of speculative demand on revived bid hopes helped Keyser Ulimann feature merchant banks with o rise of 4 to 710. Details of the proposed and professional and put on 4 more to 170p, while and put on 4 more to 170p, while and put on 4 more to 170p. Brooke Tool, 42p, and released today on the eve of the amual meeting. Leading issues closed without alteration following after in preding statements. merchant banks with o rise of 4 to 71p. Details of the proposed France SA left Hill Samuel a while Hambros edged forward 3 to 290p. Profit-taking after the previous day's smart gains left the major clearing banks with modest falls. Lloyds eased 2 in 308p as did NatWest, to 350p. Bank of Scotland diped 5 to 290p. Hire Purchases tended lower with Llayds and Scottish down 4 at 122p and Provident Financial 2 off at 98p. Comment on the Board's

further strong rejection of Marsh and McLeonan's 169p per share offer left Bowring 2 lower at 139p. Other Lloyds brokers however, made progress; C. E. Heath added made progress, c. E. Meath adden-simore at 218p and Willis Faber gained 3 to 228p. Breninall Beard, at 16p, held the previous day's rise of 4 ahead of Friday's preliminary results.

Breweries passed a rather uninteresting session, with final quotations a little easier where altered. Eisewhere, Highland Distilleries bardened 2 more to 146p awalting developments in the hid situation.

Leading Buildings trended easier, but selling was small. Blue Circle eased 4 to 264p and Tarmae 3 to 190p. Secondary issues displayed several firm featuree with Burnett and 525p in a thin market following from the Board. Brown and Jackson became a good market and put on 13 to 215p, while Norwest Holst added 6 to 122p, the lotter awaiting news of takeover discussions. Gough Cooper hardened a penny to 77p, after 78p, in responsa to the annual results, but SGB shed 4 to 234n despite the good results and proposed 4-for-5 scrip issue. In Timbers, Magnet and Southerns. balf-yearly results today, added

s penny further to 146p. and, despite several sttempts at a rally, finished 5 cheaper at 367p. Fisons, however, ended only o penny down at 289p, after

Status Discount good

Status Discount stood out in Stores, rising 6 to 57p in response to results. Still reflecting Press comment, Time Products added 4 more at 72p, while Bakers Household firmed a similar

encountered profit-taking after Monday's good gains. House of Fraser at 116p, after 113p, lost 2 of the previous day's rise which followed revived hopes that Lonrho might soon bid for the cuttranding. 70 mer cent of outstanding 70 per cent of Fraser's shares it does not already own. UDS dipped 3 to 71p, after 70p, and Marks and Spencer reacted 2 tn 87p, after

Speculation that the possible terms of the much rumoured bid for Decca from Racal Electronics

ing trading stataments. Chemring. a firm markat of late, reacted 5 to 105p, while other dull spots included Northern Engineering, 43p, and Stone-Platt, 44p, down 2 and 3 respectively.

Profit-taking among leading
Foods was eventually absorbed
and prices closed without much

change on halance. Tate and Lyle, interim results today, recovered to unchanged at 160p, after 157p.
Grand Metropolitan, 141p, and
Trusthouse Forte, 142p, shed 2
apiece ahead of their respective

Marked down at the ontset

tion declined 4 to 182p; the lat-

ter's results are due on January

24. Beecham gave up 4 to 123p

after 121p, but Bowater picked

where, Lesney Products lost 2_to

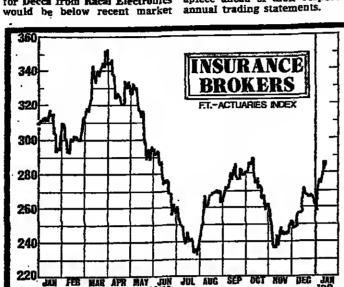
28p following redundancy news

and the Board's announcement

that a current year profits will be

substantially helow last year's. On the other hand Airfix Indus-

tries hardened 2 to 24p. Press



levels prompted duliness in :" former which reected 15 to 33°, with the "A" sharea 13 lower at 303p. Racal also weakened and closed 13 down at 195p. Elsc-where in Electricals, Minirhead encountered nervous offering: ahead of the oreliminary result: 248p. Some of the previous day's high-fliers also took a turn for the worse, Eurotherm reacting 12 to 290p and United Scientife ? to 388p. Among the leaders, to 388p. Among the leaders, GEC touched 344p before settlin at 348p, down 2 oo the day, while Thurn ended without olteration at 298p, after 294p.

Apart from Gnest Keen, wbich hardened 2 to 260p, the En-giocering leaders ended the day on an easier note. Hawker closed 4 off at 188p, while falls of 2 were recorded in Vickers. 120p, and John Brown, 62". Elsewhere, Yarrow were outbriver, jumped 5 points to a 1979amount to 100p. Kitcheo Queen Elsewhere, Yarrow were out1980 peak of £53.

Traded options were again dominated by Consolidated Gold

Traded options were again three tradiog sessions.

Traded options were again reaction of 2 and one of 14 over of the deal with Vickers Starto 224p, while Gripperrods the past three tradiog sessions. wick of Caoada. Simer advanced 5 to 152p. Diamond

Stylus dipped a penny to 21p fol-lowing the interim profits set-In Motors Components, Lucas

encountered selling and shed 5 tn 243p. Dunlop eased a penny to 58p and Dowty 4 to 164p. Blue-mel Brothers, on the other hand, attracted buyers and, in a thin market, added 3 to 57p. Supra put on 7 to 81p in belated response to favourable Press commant Commercial Vehicles traded firmer throughout with Plaxtons 4 hetter at 160p and Peak Investments 11 in the good

In Paper/Printings. Mills and Allen put on 19 to 271p and More O'Ferrall firmed 10 for a twoday gain of 21 to 110p on speculative buying Small buying lifted BPC 2 to 30p. Associated Newspers, a good market of late on the better-than-expected results, shed 5 to 284p on profit-taking, but Daily Mail A added a couple of pence more to 490p.

Particularly firm of late on hopes of lower interest rates, the Property sector ran into profittaking with Land Securities, at 275p, shedding half the previous day's gain of 10p. MEPC cheapened 4 to 175p and Haslemere gave up 8 to 282p. Stock Conversion ran back 6 to 370p awaiting today's half-yearly results, while Berkeley Hambro, 180p. Great Portland Estates, 210p. and Scattish Metropolitan, 116p. all shed 3. Lynton met sell-ing following the slightly reduced interim profits and dipped 8 to 144p. after 142p. Hammerson A., a particularly good market since the agreed sequisition of Reunion Properties, eased 10 to 760p.

Oils firm

Against the general trend, Oil miscellaneona industrial leaders shares held steady to firm, with a reasonable amount of interest eased a shade further on sporadic still being abown in secondary issues. Siebens improved 6 more profit-taking and closed with falls ranging to 8. Glaze lost that much to 478p and British Borneo ended similarly dearer at 292p. Cluff rose 10 to 420p, while CCP North Sea firmed a few pence to 226p. Premier closed 11 to the good to 460p, while Rank Organisaat 48p, after 44ip, following the up from 153p to finish a net 2 better on balance at 156p. Elseproposed rights issue; it was also announced yesterday that oil and gas bad been found in an exploratory well on and adjacent to the company's Monument Creek prospect. Among the leaders, improved 4 to 338p and Shell edged up a few pence to 328p. Reflecting Press comment, Lonrho improved 3 more to 95p in Overseas Traders.

comment prompted improve-ments of 2 in Unicorn Industries, 85p, and British Vita, 145p, while renewed North Sea oil specula-tion left National Carbonising 6 Still drawing strength from the current boom in gold mining issues, South African Industrials scored further double-figure gains, Barlow Rand advanced 21 to 363p, while Auglo American Industrial, 825p, and OK Bazaars.

rnationel. Stroud

Congression of

590p, rose 25 apiece. Tiger Oats closed 40 to the good at 600p.
Castlefield (Klang) highlighted
Plantations with a rise of 40 to 380p on news of the possible sale of Castlefield Estate for property development. Inch Kenneth Kajang advanced 23 to 190p in sympathy, while Bertain Consoll-dated added 6 to 45p.

Big demand for Golds

Another day of hectic activity in mining markets saw South African Golds register spectacular gains for the fourth successive trading day as the bullion price close a further \$31 up at a record \$687.50 an ounce. The latter has now risen over 30 per cent since the end of December. The Gold Mines Index advanced 16.4 more to 337.50-a gain of

70.5 during the last four trading

days.

Jobbers hoisted share prices at the outset reflecting the heavy gains in overnight American mar kets. The market then surged ahead strongly with persistent and sizeable buying demand, notahly from London, taking prices sharply higher until the afterhours business when profit-taking and selling on U.S. account left day'a best.

Heavyweights scored gains to £11. as in Hartebest, £271, while West Driefontein and Free State Geduld both closed £11 better at £35% and £24% respectively.

Among the lower-priced issues, Western Areas and Elsburg were prominent ahead of quarterly results which showed Western Areas net profits almost tripled and left the shares 58 np at 416p; Elsburg advanced 51 to 282p.

Financials mirrored Golds. "Johnnies," £26, and GFSA, £301, registered gains of a point and more, while Middle Wits surged 60 to 420p, General Mining 45 to 825p and Union Corporation 25 to 625p. De Beers continued the recent strong rally and closed 25

London Financials were again

68,49 68,00 67,58 66,46 66,29 66,20 10,00 441.7 446.8 486.2 480.8 428.5 416.6 641. 537.0 520.6 294.9 ESD.5 266.5 279.9 7,41 7.55 7.50 7.56 7.58 Ord. Div. Yield. Earnings, Yld. 2 (full) 18.50 18.50 18.67 18.68 19.12 19.40 PIE Ratio (net) (1) ... 6.70 6.83 6.69 8.54 2.44 6.83 Total bargains 25,427 25,103 24,058 19,399 18,849 19,784 Equity turnover £m 127.61 132.07 101.76 23.65 88.16 70.99 Equity bargains total 19,127 16,127 14,657 19,612 16,708 18,786

FINANCIAL TIMES STOCK INDICES

10 em 438.1. 11 em 442.0. Noon 439.1. 1 pm 439.2. 2 pm 439.4. 3 pm 441.3.

Lutest Index 01-246 2026.

. * Nil -8.47. Beels 100 Govr. Secs. 16/19/26: Fixed Int. 1928.

			LOWS	1	S.E. AC		¥
· 	20	79/80	Since Co	ompila±n		Jan. IS	Jan.
<u>.</u>	High	LOW.	Hìgh	Low	-Dally		
Govt, Secs.	25.91 (4/5)	83,30. (10/12)	127.4 (8:1/56)	49,1B (6/1/75)	Gilt Edged Industrials Speculative	142.1 118.1	78.2
Fixed int	77.7e (5/5)	64.06	250.4 (28/11/47)	50,53. (8/1/75)	Totals	105.6	95.0
ind. Ord	558,e (4/9)	406.3 (15/17)	556.8 (4/5/79)	49.4 (28/6/40)	6-d'y A' VI' ge Güt Edged	154.6	144.7
Gold Mines	(16/1/80)	129.9: (17/4)	448.3 (22/6/75)	43.5 (28/18/71)	Industrials Speculative, Totals	81.9	75.4 75.4

On the other hand, profit-taking left Rio Tinto-Zinc 3 cheaper at

Platinums improved in the wake of the free market platinum price. Rises of 8 were common to Lydenburg, 157p, and Rustenburg, 285p. Rhodesians showed substantial gains with Coronation Syndi-cate 40 higher at 340p and Falcon Mines 30 up at 600p.

Anstralians met profit taking, although there were a few exceptions to the general trend. Gold issues edged higher with Nnrth Kalgurli 2 firmer at 50p and Poseidon 5 better at 136p. Specnlative buying lifted Whim Creek 8 to 70p.

Asbton participants The The Asoton participants slipped back, however. Conzine Rintinto gave up 16 to 284p, Northern Mining 11 to 143p and Ashton Mining 8 to 162p. Eisewhere. Cons. Murchison rose 20 ot 400p in front of the aharply increased net profits during the last quarter, while in

Irish/Canadians the rusb of buyfeatured by beavy buying of Gold ing in overnight U.S. markets asw Fields which added 15 more to Northgate Exploration marked 458p after a 1979-80 high of 460p.

142p 45ap

4 |141p

275p

87p

185p

856°P

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LONDON TRADED OPTIONS

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Vol.

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January April

Vol. Closing

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NEW HIGHS AND

LOWS FOR 1979/80 Exchar. 140c 1984 FOREIGN BONDS (1)

Supra Group NEWSPAPERS (1)

Daily Mail A PAPER (2) Cradley Printing Eucelyptins
SOUTH AFRICAMS (3)
Grantermans A S.A. Brewei TEXTILES (1) Britannia Arrow OIL & GAS (4) TRUSTS (1)"

Cluf III Imp. Continent Do. Cont. A KCA OVERSEAS TRADERS (T)

Jurban Deep

Malay Dredging Massina Consid. Marchiso

Philips' Lamp Obesi (2) PROPERTY (1). RUSTS (1)

Ruo Estates

RISES AND FALLS YESTERDAY

TEAS (T)

600 540-1,294

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS	T	Tues., Jan. 15, 1980						Thur Jan 10	. Jan.	Year ago (approx.)
Fig	& SUB-SECTIONS ures in parentheses show number of stocks per section	index No.	Day's Change %	Est. Earnings Yield % (Max.)		(Net)	Index No.	Index No.	Inde No.		Index No.
1	CAPITAL 60005 (172)	223.47	-0.5	19.47	6.94	6.49	224.51	220.7	5 2175	6 215.09	236.37
2	Building Materials (27)	206.79	-0.5	19.01	7.37	6.75	207.76	203.8		9 198.46	210.34
3	Contracting, Construction (29)	336.49	+0.2	27.44	7.20	4.51	335.71	324.6	319.3	8 316.80	361.53
4	Electricals (15)	576.53	-0.7	13.98	4.31	9.54	580.68	574.8			547.63
5	Engineering Contractors (11)	291.36	-1.2	26.62	8.78	4.80	294.89	287.10			
8	Mechanical Engineering (74)	157.17	-0.6	21.93	8.25	5.64	158.15	155.5			184.90
	CONSUMER GOODS	154.04	+0.3	21.61	9.86	5.57	153.62	150.90	149.1	9 147.54	163.89
11	(OURAGLE)(50)	203.14	-12	17.56	6.04	7.04	205.57	292.93	200.6	2 198.86	212.06
12	Lt. Electronics, Radio, TV [15]	277.82	-15	13.80	4.68	9.30	281,97	278,71	276.0	5 273.62	269.12
13	Household Goods (14)	113 <i>.</i> 37	-0.3	26.70	9.56	4.54	113.72	114.00		3 112.24	167.44
14	Motors and Distributors (21)	168.56	-0.7	24.72	8.58	4.78	109.28	167.07	105.4	I 104,42	122,94
21	(NON-DURABLE) (173)	217.87	-0.7	18.41	6.91	6.72	219.37	214.87	211.6	7 208.73	212.24
22	Breweries (14)	260.88	-0.4	.16.77	6.70	7.00	261.87	257,88			236.29
23	Wines and Spirits [5)	313.65	+0.1	17.30	5.91	7.13	313.22	308.55	304.0		297.91
24	Entertainment, Catering (17)	295.17	-1.1	17.90	6.69	7.25	298.58	288.57	288.1	279.25	274.94
25	Food Manufacturing (19)	199.70	-0.5	20.29	7.28	6.10	200.62	197.26		192.56	201.27
26	Food Retailing (15)	313.23	-0.6	13.15	4.53	9.09	315,19	320.47		- ;	234.59
32 33	Newspapers, Publishing (13)	415.35	0.4	24.00	7.23	5.73	41711	409.13			389.43
34	Packaging and Paper (15)	120.80	+0.1	24.58 14.66	9.40	5.24	120.66	118.36			136.41
35	Stores(43)	131.02	-1.0 -1.3	27.76	5.41 12 36	8.81	212.10	206.87			197.00
36	Tobaccos (3)	215.20	-0.9	26.49	10.36	4.57	132.74 217.20	129,24 213,56			189.82
37	Toys and Games (6)	45.60	-0.4	35.90	15.70	3.51	45.76	45.20	287.97 45.63		237.80
41	Toys and Games (6)	195.95	-10	16.04	6.85	7.59	197.94	193.86			91.04 199.02
42	Chemicals [18]	290.19	-0.9	16.78	6.87	6.88	292.80	288.16	286.74		278.13
43	Pharmaceutical Products (7)	205.13	-21	12.41	6.23	9.83	209.53	204.88	203.95		247.29
44	Office Equipment (6)	105.29	-1.4	18.96	8.01	6.58	106.74	104.30			144.36
45	Shipping (10)	43.8.70	-0.2	12.64	7.71	10.09	439.62	415.91	411.53		424.46
46	Miscellaneous (57)	232.02	-0.7	17.16	6.79	7.39	233.55	227.46	222.97	220.96	214.11
49		219.77	-0.7	18.04	6.84	6.87	221.41	217.19	21430	21133	221.86
51	Oils (7)	690.58	+0.9	16.31	6,92	6.63	584.16	674.03	680.76	673.25	510.43
59	500 SHARE INDEX	257.15	-0.4	37.69	6.86	6.82	258.20	253.50	25130	247.96	245.88
67	FINANCIAL GROUP (117)	186.85	-0.6	-	5.91	_	1,88,03	1425	187.11	179.86	174.11
62	Banks(6)	218.83	-0.3	38.01	5.94	3.36	219.51	214.55	210.59	212,40	212.44
63	Discount Houses (10)	233.59	+0.4		8.49		232.74	230.19	219.83		234.10
64	Hire Purchase (5)	173.04	-2.6	20.47	5.50	6.18	177,71	168.65	167.39		167.98
65 66	Insurance Life) (19)	154.41 125.07	-15	-	6.81	— J	156.83	155.22	153.11		137.15
67		285.34	-0.5 +0.2	17.47	7.79	818	125.72	123.36	121.41		122.05
68	Insurance Brokers (10)	93.54	+1.4	17.47	6.87	818	284.76 92.24	279.65 90.56	277.08		314.61
69	Property 144)	333.23	-15	3.96	3.22	36.24	338.32	330.86	89.16 323.68		89.52
70	Miscellaneous (10)	127.11	+11	14.97	7.13	8.69	125.67	123.57	122,64		277.23 115.20
71		204.47	-0.2		5.99		204.98	198.26	195.37	194.10	211.58
81	Mirring Finance (4)	182 50	+0.9	12.63	4.84	9.61	180.79	177.82	172.82	174.70	109.80
91	Overseas Traders [20]	352.38	+12	14.24	7.12	8.47	348.29	34L67	338.81	333.65	328.62
99	ALL-SHARE INDEX(750)	239.93	-0.4	- 1	6.60					230.95	
	EIVEN INTEDECT BOINE :	T	FIXED INTEREST				Toes.	Mon.,	Year		

_	FIXED INT	YIELDS British Gowl. Ar. Gross Red.				Jan. 15	Jan. 14	(approx.)					
	British Government	Toes., Jan. 15	Day's change %	xd adj. today	xd adi. 1980 to date	1 2 3	Coupers	15	years years		12.00 12.00 12.90	12.20 11.96 11.97	9.78 11.58 12.39
1 2 3 4	Under 5 years	101.38 107.01 112.43 133.40	+0.21 +9.04 +8.00 +2.23	0.09 0.23 6.24	0.45 0.23 8.24 0.80	4 5 6 7 8 9	Medium Coupons High Coupons	15 25 5 15	years years years years years		14.15 13.69 13.56 14.58 14.16 13.84	14.21 13.73 13.55 14.62 14.15 13.83	12.91 12.96 12.96 13.06 13.52 13.48
5	All stocks	106.71	+0.13	0.18	0.33	10	kredeeqqab				11.02	11.26	12.74
			!- -	Tues., Jah	1. ⊀व			hurs. Jan.	Wed, Jan.	Tues.	Mon.	Friday Jan.	Year 2go

49 83 +14 83 49 75 49 55 48 86

20-yr. Red. Deb & Loans (15)

Coml. and Indl. Prefs. (20) a1.89

Investment Trust Prefs. (15) 47.00 | 14.52 46.90

ACTIVE STOCKS

Dei	romins.	- of	Closing	Change	1979-80	1979-80	
Stock	tion I	marks	price (p)	on day	high	ler	
Cons. Gold Fields	25p	9	458	+15	460	178	
Imp. Cont. Gas	£1	9	645	+ 7.	645	358	
BP	25p	8	338	+ 4	406	$220\frac{1}{4}$	
GEC	25p	8	348	- 2	456	311	
Beecham	25p .	7	123	- 4	189	114	,
Grand Met	50p	7	141	– 2	1781	110 1	ı
Harmony Gold	R0.50	7	881	+54	885	265	ı
ICI	£1	7	367	– 5	415	314	
Kloof Gold	R1	7	£13}	+ 1	£13}	483	
Libanon	R1	· 7	£10	+4	£10	414	
Lonrbo	25p	7	95.	+ 3	95	62	
Premier Cons	5p	7	48 357	+ 11	49	13	1
RTZ	25p	7	357	– 3 -	362	226	
Rustenburg Plat	RO.10	7	285	+ 8	285	94	-
Tate & Lyle	£1	6	160	-	. 188	127	

OPTIONS Fraser, Lesmo, KCA, Carpet

I	BALIN	G DATE	S	Fras
First	Last	Last	For .	Inter
Deal-	Deal-	Declara-	Settle-	Gran
ings	ings	tion	ment	date
Jan. 7	Jan. 18	Apr. 10	Apr. 21	Pren
Jan. 21	Feb. 1	Apr. 24	May 6	Blec
Feb. 4	Feb. 15	May 8	May 19	bres
For rate Share	e indica Inform	tions see ration Se	end of roice	and arrai F.

nged in Town and City. 1CL Money was given for the call National Finance, while double of Reardnn Smith A, Racal, options were transacted in Lonrho, J. E. Sanger, Dawson Lonrhn, Town and City, C. T. Bowring. Premier Consolidated and Suter Electrical.

leum, John Brown, Hause of

RECENT ISSUES **EQUITIES**

Issue	d CP	ato ato	1979/80		Stock	20 to	 		1010 at 1010 a
Price pt	₹5	120	High	Low	<u> </u>	5-	_	ă . Ę	F60> - 2
\$90 \$80 \$41	F.P. F.P. F.P.	90/2 11/1 25/1	111 104 129 47	128 101 981, 112 41	Emess Lighting Haynes P'blish'g 20p Lontrim	134 108 1021 132 40	+2	18.75 67.0 ae.0 bda.0	1.2 2.1 2.7 6.8 2.7 6.2 2.9 9.5 4.1 2.0 8.5 4.2 9.1 6.2 8.9 1.3 1 4 10.0
£10 \$ 1111	F.P. F.O	11/1	£1018 74 £27	68	Sei Mkt TstPrtRedPri 3gring Grove 10g WareidhaveNVDFL 20	71		64.0 QFI.6	1.8 8.0 2.7 1.1 2.1 17.7

FIXED INTEREST STOCKS

Price to	Amount Pold Up	Renuno Date	127 High	9/80 Low			•	Stock			Olosing Price &	+ =
**** - 3 4-4.	£10 F.P. F.P. F.O.	22/1 8/2 26/1	1034 99 92 860 211 ₈ 8834 p	101g 931g 90 85p 911g 78p	B'mer Sristo Dundo Hewit Mid-a Thom	n'th d Wate mian t (J.) 1 Ussex Elec.	k Distrement 114% 10pc C Water	ict W't cs 8% R Cum. I cum Pr 7% Red Red. &	er Red. ed. Ore Conv. Pr ef d. Pref. ndComi	(. '99-02; Pref. 1985; f. 1984 ref 1985New Prf92-99	104 9312 98 88 8113	+1
				RK	HT	5"	OF	FE	R5			
save Price	Am'unt Peld Up	Late Renu Dat	nc.		9:60 Low			St	eck	1	priest a	+ or
121g	NII F_P	24/1		48	25	NASSO Dun	CODIAL	i aritis	h Engir	eoring;	7pm 41	5 2

Matronolitza, Consoli-Get. Fields, Punlop. UNIT TRUST SERVICE etrical, Corne Veisure, Cake-nd Robey A. Status Discount Arthur Bell. Puts were

OFFSHORE &



MOTORS IT

TRUSTS ...

R JEERS 3 TLAS (1) MINES 41

ND FOLLANT

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED	Olscretionary Unit Fund Managers. 22 Blandeld St., EC216 7AL 01-6584485 Dis. Ios., Jan., 10	Manuel He Management Ltd., St. George's Way, Stavenage. 0438 56101 Growth Units 621 65.4 4.30	Stewart Unit Tst. Managers Ltd.(2) 45, Charlette Sq., Edisburgh. 051-226-3271 †Stewart American Fund Supported Units 612 652 1 1 20	City of Westminster Assurance Ringstead House, 6, Whitetorse Road, Crystol (PD 22).	Lloyds Life Assurance 20, Cation St., EC24 AMX (M-247 7599	Schroder Life Groupt Enterprise House, Postsmouth. Equity
UNIT TRUSTS	E. F. Wintchester Fund Mogt. Ltd. 44. Bhoustony Source, WCJA 2RA 01-623 8893 Gust Wintchester 116.8 12.6m 6.24 624 Workster Uses. 1914 21.8m 2.52 Emison & Detiley Tst. Mingiant. Ltd. 285 Alternate St., WJ. 03-493 3211	Hayflower Hampement Co. Ltd. 14-18, Grestan St., ECZV 7AU. 01-606-8099 Income Jan. 7 16-6 101-7 16-8 101-7 16-8 101-7 16-8 101-7 16-8 101-7 16-8 101-7 16-8 101-7 16-8 16-8 16-8 16-8 16-8 16-8 16-8 16-8	Accuse: Units 673 718 122 Wintstawni Units 737 466 **Sawart Gerink: Capital Fand Scandier 182 1605 +555 5.60 Accuse: Units 182 1605 +555 5.60 Design 7 Pes. & Fr. **Wed.	West Prop. Fund #0.3 84.6 — — — — — — — — — — — — — — — — — — —	Bathy Gorth, Dec. 31	Money Britannia Tst. Mngutt. (C.L.) Ltd. Overseas Britannia Tst. Mngutt. (C.L.) Ltd. 30 Bath St., St. Heller, Jersey. 0534 731 CCH Vanguard LSS Delter Denominated File. Univel S Tst. USSS118 8.701
Abbury Unit Tat. Mongres. (a) 73-00, Catefronce Rd. Agicstony Atthey Amer. Gh. Tut. 164.6 Abbury Capital 154.6 Abbury Georges 154.8 Abbury Georges 155.8 Abb	Eming Quidley Tist. 162.6 74.4 6.00 Equity & Law Unit. Tir. 18.9 (a)(b)(c) American Rd. High Wycombe. 0494 23377 Eminy 4.1m. 171.7 75.4 -0.5 5.24 Fidelity International Management 1.55.6-62-63, Green St., London, EC4R 1.4D, 01-285 4871	Merchey Fund Managers Ltd. 71, Gresham St., EC2P 225. Wer. Gen. Jan. 16. 53.2 Acc. Ust. Jan. 16. 77.5	San Alliance Fund Mogt. Ltd. San Alliance No., Horston. Em. En. List. 9	Soc. Prop. Units	The last last last last last last last last	Stering Desonisated Fds. USB U
Astery Income 107 Astery Int. Bel 12 Albery Int. Bel 13 Albery Int. Bel 14 Albery Int. Bel 14 Albert Harvey Ress Unit Tst. Bloss 45, Cornbit; Lowder Br3V 3PB. (01-625-6314, AHR Cite & Pref. 1902 94.9	Final interest S0 33 +15 127 Final interest S0 32 +15 127 Final interest Z3 22 +11 127 Special Sites Z20 23 +13 10 James Finally United Truest Maget L3 10-16. West Nile Street Cleanure C0 200 1270	Middland Bank Group Unit Trust Managers Lfd. (2) Courtsood House, Sheer Sheet, Head. Sheffled, STJRO. Composity & Gen. 1876	16, Ashal Crescest, Edin. 3. (33, 229 86212) Constructive St. (51	Commercial Union Group St. Helen's, J. Understalt, EC3. 01-283 7500	Loaden A'deen & Mitan Mil. Assar. Lin. 129 Kingseay, Loaden WC28 6HF. 00-404 0393 'Asset Builder — (52.7 49.2 — Ludenter Indonnity & Gal. Ins. Co. Lin. 18-20, The Farbury, Reading 583511.	Prop. Pen. Can. 124.6 13.5 13.7 Prop. Pen. Acc. 133.5 13.7 Prop. Pen. Acc. 133.5 13.7 Prop. Pen. Acc. 133.5 13.7 Prop. Pen. Can. Can. Can. Can. Can. Can. Can. Ca
Allied Hambre Green (a)(g) Hambre Hig, Hotton, Dreetwood, Esser, Ol-286 2051, or breatwood (0277) 2)3,459 Released Feedo Etc.	Accion, Units Frings figure factors Frings	Dr. Accus	received State 3 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	Confederation Life Insurance Co. 50, Chancery Lane, WC2A I HE 09-242 0282 *Figure Front 1972 2029 — *What Front 2013 402 24 1	Modern Manager 36.5 39.11 40.5 — Mrs. Freed Interest 55.4 50.3 — Landon Life Linked Assur. Ltd. 21 for William St., ECAN 780. 01-525.0511	PO 8ax 902, Ediclored EA16 58U 031-655 5000 Butterfield Management Co. Ltd. Inv. Pty. Jan. 11 1148 1148 2000 Inv. Cash Jan. 11 1148 1152 2000 Ent. U. Lac. Dec. 19, 1145 150.7 2000 Pen. Man. Jan. 9 290.4 25
Grit, India, Francia, G.S. (2) 403 403 135 Growth & Income (2) 41 42 42 42 42 42 42 42 42 42 42 42 42 42	Framilegter Unit Mgt, Ltd. (a) 64, London Wall, EC2M 5MQ, 00-628 5181. American Trouvenut 52 534 -04 508 (Access Units) 502 534 +04 508	Berlin Europe Man All	Equity Er. Line. 187.3 17.15 Tower Unit Trust Mingt. Ltd. 3945 Firstury Square. EC2A 1PX 01-528 2294 Income & Growth. 22.1 222 40.2 21.5 Special Statellors. 22.1 222 40.3 267	Punt: Pen, Magt. 166.6 91 Salegard Mas. Pen. 166.6 91 Grow Mad. Pen. 166.6 91 Fined Int. Pen. 166.9 11 Grow Mad. Pen. 169.0 27.8 Fined Int. Pen. 169.0 27.8 Fined Int. Pen. 169.0 27.1 Fraperty Pension 217.6 22.1 General Manuel Insurance Co. Ltd.	Fried Interest 901 005 Process 105.6 105.4 Process 105.6 105.4 Process 105.6 105.6 Process 105.6 105.6 Process 105	Strandia Life Assurance Co. Ltd. 37 row Notre-Dame, Lucembourg. 161-166 Feet St., Loodon EC42DV 01-353 8511 Capital Int. Fam. USPL.59
informational Planes informati	Friends Provide Unit Try Mars. 9 Foliam End, Dorking. Friends Provide Unit Try Mars. 9 Foliam End, Dorking. Friends Proc. Units. 1970 Do. Account	Minister Fund Managers Ltd. Minister Hee, Arther St., ECPR 99H (II-623 1050 Minister Hee, Arther St., ECPR 99H (II-623 1050 Minister Jan. 14	Trades Union Unit Tst. Managers 100, Wood Street, E.C. 2. 01-628 2011 TUUI-lant 2. 1903 51-61 4.08 Transattantic and Gen. Secs. \$\Psi\$ (c)(y) 91-99, New Lendon Rd., Chelmstert. 0245 51652. Berbicas, lant. 10	22. Corregit, E.C.3. 074.05 074.76.5400 07	Cap. Growth Fined 22.0 AFter. Europa Fed 137.5 - Exempt Pro. Fil. 114.5 - Exempt Pro. Fil. 114.5 - Free Filed Fund 137.5	For Prices of other lines and Entranted Basis Rates please From 01-353 Edit Fondis Color Scale From 01-353 Edit Fondis Color From 01-353 Edit Fondis Color From 01-353 Edit Fondis Color From 01-351 Edit Fondis Color F
Met. Min. & C dry	Public Trestre, Kingson, WC2. 01-405-8300 Capital Jan. 4. 1978 17-9 5-53 Krips Irr. Jan. 4. 1978 17-9 15-7 Wind Vield Jan. 4. 190.5 32-5 10-82 "Bouch. Restricted to useins more Court control. 6.T. Unit Managers Ltd."	MLA Units 52.7 55.4 1.22 Misrray Johnstone U.T. Mgmt. 9 (2) 145, Hope Street, Gistgow, 62 22 U.H., 041-221 5521. MJ Emopesa 65.4 65.6 1.326 Dealing Day Friday.	Accom, Units. 124,0 Partition, Jan. 10, 77,7 Partition, Jan. 10, 77,7 Accom, Units. 10, 10, 9 Accom, Units. 10, 10, 9 Accom, Units. 11, 10, 10, 10, 10, 10, 10, 10, 10, 10,	Crown Life Assurance Co. Ltd. V Crown Life Hse, Welcher GUZI 1XW. 04862 5033 Many'd Eust Acc	M & G Group Three Grays, Tower Hall, ECSR 680. 01-626 4588, American Fd. Bond" 63.5 Convert. Deposit" 121.5 Early Ro. (Arc.) 125.1	Distribution 49.2 104.5 -0.3 13.41 Prices for Series 1 single premium plans will be fractionally higher than those above. Standard Life Assurance Company Standard Life Assurance Company The Distribution 10.2 10.5 1
Ansferson: Unit: Trust-Managers Ltd. 158, Footherth St., ECSM 6AA. 623 9231 Anterson: IT	16 First Levi Coren. E12M 700	Matual Unit Trest Managers (a)(g) 15 Copthell Ave., EC2R 7811, 01-605 4803 Mutual Sec. Plas. 51.4 559 40.11 7.80 Mutual Sec. Plas. 51.4 571 10.1 3.30 Mutual Sec. Plas. 52.5 57.5 10.3 10.43 Mutual Sec. Plas. 52.5 57.5 10.3 10.43 Mutual Inga Yac 52.8 57.5 10.3 10.43 Mutual Inga Yac 52.8	Acrama Units) 8.6 0 27 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Equity Fd. Inom. 1002 100 100 100 100 100 100 100 100 10	Family 1967 to 2716 2715 2715 2715 2715 2715 2715 2715 2715	George S.L. Edinburgh EN2 202. 031-25 79/11 Gruneburgweg 113, 6000 Frankfurt Managed Mill. 0 Managed Mill. 0 Mil
Arbitimet Securities Ltd. (a)(c) 37, Queen St. Line ECAR IBY 01.296 5281 High Time 1.296 5281	G.T. Francy (a. F. 1763 + 4.3 200 G.T. Francy (a. F. 1763 + 4.3 200 G.T. Francy (a. F. 1763 + 4.3 3.30 G. & A. Trust (a.) (g) 5 Reyleigh Road, Recentered (b. A. 1763 + 4.3 200 G. & A. 1764 6 37.0 -0.1 5.62 Gartmere Found Managers (a.) (g)	31, St. Andrew Space, Edistingt. 031-556 8555. Income Drc. 19 1640 1534 170 (Accum. Origins) 9154 26 170 (Accum. Origins) 9154 26 170 (Accum. Units) 1825 1342 476 (Accum. Units) 1825 1342 476 (Accum. Units) 1825 1825 1842 476 (Accum. Provident Law. Mingrs. Ltd. 476 48, Gracecharch St., EC39 3HH. 01-623 4200	Vanca T. San S.	inv. 19. Fri. inc. 100.5 Flore int. Fri. Not. 110.5 Flore int. Fri. Not. 110.5 Find in Fri. Not. 110.5	Person Person 257.5 1	Sun Alliance House, Horsham. O403 64141 Postfach 2685 Blebergasse 6-10 6000 Fraudrin Exp. Fd. Int. Jon. 9 40156.5 163.2 O403 64141 Postfach 2685 Blebergasse 6-10 6000 Fraudrin DMITTO 18 801-1101 — Int. Revierlorus 100640 6400+010 — Dreyfus Intercontinental Inv. Fd. Sun Alliance House, Horsham. VAN 0403 64141 Dreyfus Intercontinental Inv. Fd. P.O. Box M3712, Nassau, Bahanas.
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Barciays Unicorn Ltd.♥ (a) (c) (g) Unicorn No. 252, Romford Rd. E7. 01.894,5544 Unicorn America 20.7 Do. Aust. Acc 20.7 Do. Aust. Loc 25.9 Do. Aust. Loc 25.9	Greet (John) 7 77 London Wall, EC2 Stockholder Dec. 28 1138 119 94 11 308	Northgate Unit Trust Managers Ltd. 9(c)(y) 20, Moorgate, EC2R 6A0 00-606 4477 Northgate Inc. 10. 1947 100.2 400 Norwick Union Insurance Group (b)	De Accium 779 44.6 47.9 40.3 12.3 12.3 12.3 12.3 12.3 12.3 12.3 12	ind, Pen, Property Sp. 7 Ind. Pen, Flued ict. Sp. 4 Ind. Pen, Euclid ict. Sp. 4 Ind. Pen, Edward Sp. 3 Ind. Pen, Edward Sp. 3 Ind. Pen, Bulanced Sp. 3 Ind. Pen, Bulanced Sp. 3 Ind. Pen, Bulanced Sp. 3 Ind. Sp.	Leon Marce, 223 High St. Leonia 01-686 9171 Property Pens	Prop. Fid. Acr. 1750 — Fidelity Mgant. & Res. (Bda.) Ltd. Prop. Fd. Inv. 1320 — P.O. Box 670, Hamilton, Bermuda Fixed Int. Fd. Inc. 103.5 — Fidelity Am. Ass. 153. 153.59 — 116. 153.59
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50, Chancery Lane, WC2A INE. Growth Fund 158.2 61.2 +3.0 4.77	*Unanthorized. Assistate only to Local Authorities. M. & G. Groupp (1)(c)(c) Three Courts, Tower Hill, EC3R 680. OI-626 4588 See also Stock Evaluage Dealings. Assertical.	ur. Growth 25 4 2.5 8.4 1 2.5 8.	Coulty South East #11.50 4.07 +0.24 -	King & Shasson Ltd. 52 Cembil, EC3. Bord PL Exempt	Property Fd. Act. 63.1	Arbuthmot Securities (C.I.) Limited P.O. Box 284, St. Helier, Jersey 0534 7577 Gap. Tst. (Jersey) 125.0 129.0 7.75 Gov't Sess. Tst
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Time Inc. CANADIANS INTERNATIONAL BANK 8 |5pc Stock 77-82 ___ | 812 | ___ | 6.13 | 13.72 **CORPORATION LOANS** 792 | 14.12 | 14.81 | 12.85 | 14.39 | 12.85 | 14.39 | 12.85 | 14.39 | 15.07 | 13.01 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | 15.02 | | COMMONWEALTH & AFRICAN LOANS | 88 | 81 | Aust. 51-pc | 81-82 | 774 | 14, 05 | 14,05 | 774 | 14,05 | 14,05 | 774 | 14,05 | 14,05 | 14,05 | 171-2 | 18 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15 | 18,15

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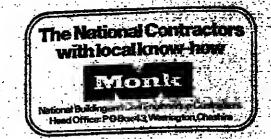
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FINANCIALTIMES

Wednesday January 16 1980



POSTAL WORKERS OFFERED NEW DEAL

Plan for shorter work week

THE POST OFFICE bas offered to reduce the working week for its postal service workforce by at least two bours next year linked to a wide-ranging productivity package it bopes to implement this year.

The productivity package has been discussed with nnion negotiators for some months, will he put to a special delegate conference the Union of Post Office Workers on March 17-18. A onion report says it bas

not been possible to seenre an immediate reduction of three hours in the working

week which bad been a conference demand. Mr. Norman Stagg, the union's assistant general secretary, said, however, that the Post Office had given what It said was a "firm commitment" to at least a two-honr reduction in working bours next year "at

Postal workers work a gross 43-hour week, including lanch periods for which they are paid.

The outcome of the Post Office's discussions on produc-tivity could bave a crucial impact on the review the Government bas ordered into

the Post Office's postal Sir Keith Joseph, the Industry Secretary, bas given a veiled warning that the munopoly could be under

threat if the corporation does not improve its productivity. Negotiations with union officials have centred on the nse of a form of easual labour in summer, shortening the qualifying period for postmen lower grade to become sorters and the setting up of a type

of postal eadet force through

This element is designed to

new apprenticeship scheme.

recruitment

school-leavers There has been agreement from union negotiators on some of these points. Union officials are optimistic that pay increases attached to some of these changes willacceptable

Changes in the qualifying period for sorters-from the present two years to six months with a reduction in minimum age to 18-are linked to significant improvements in pay differentials for sorters. Management is also proposing increasing pay supplements for staff working unsocial weekday shifts.

BSC reshape provides for break-up

BRITISH STEEL is being business by the Government and already there, putting together the sale of parts of it to private other component parts of the

The decentralisation of the British Steel Corporation into steel plants. forges. foundries largely autonomous production and and sales groups will take an profi important step forward next month—whether the strike cootinues or not—with the crestion of a £700m annual turnover business employing 26,000 people called BSC

The corporation's hig tioplate interests in Walea, which sre s good money-earner and which are contributing nearly £400m

new business, including the corporation's modern stainless engineering works, tha profits ble rails plant in Cumbria, and plants making

light products. into a single operating group include many of the activities sector investora.

Io the event of the complete and largely independent groups. or partial dismantling of the

But Mr. D. B. Bray, the new of the strike, the Government a few functions necessary for

The board of British Steel is giving high priority to the restructuring of the corporation Sir Charles Villiers, BSC chairin spite of the strike and is man, announced the formation being encouraged to do so by of the first of the new decenthe Government.

After boardroom disagreements last year about the future structure of British Steel, a The parts of British Steel now compromise was resched which In size and in spread of steel-being assembled by Mr. Bray is understood to have the supmaking activities it looks into a single operating group port of all board members. remarkably like the old United tbree-possibly more-powerful

a year in ssles, will be the British Steel Corporation in the central management function of whether or not the steel strike mainstay of the new business. difficult period after the ending BSC beadquarters be reduced to is still on

reshaped rapidly into a form group managing director, is could offer BSC Holdings to the proper co-ordination of the suitable for the possible expected to have his private investors as a tempting business. BSC haadquarters hreaking-up of the nationalised headquarters in Sbeffield. He is alice of the business. may eventually be moved out businesa. BSC haadquarters may eventually be moved out of central London.

Shortly before the steel atrike tralised groups. Called BSC Yorkshire and Humberside, it has a turnover of more than £Ibn a year.

include many of the activities Decentralisation is to be Steels Company that was of the corporation which would achieved by splitting the £3bo- nationslised, with bulk steel-be attractive to potential private a-year turnover business into making in the Sbeffield area and at Scunthorpe.

Both the new groups are to The intention is that the start in business on February

Thatcher jeered over Changes in executive **EEC** Budget stance

Mrs. Margaret Thatcher, the Prime Minister, was jeered by Labour MPs in the Commons yesterday when she confirmed that the Government was seeking " a gennine compromise" with other EEC members over Britain's Budget contribution.

Some Tory backbenchers also showed concern over the Government's more conciliatory approach.

Mr. Nicholas Winterton, Conservative MP for Macciesfield, reminded the Prime Minister that she had the support of the "vast majority of the British people in demanding justice from the

Mr. Tony Marlow, Conserva-tive MP for Northampton North, later secured, by 170 votes to 47, the introduction

of a private member's Bill giving Psrliament the right to sel Britain's sunual contribution lo the EEC Budget.

The measure has no chance of getting through the Commons but was supported by many prominent Tory MPs a clear warning to the Government Mrs. Thatcher, under pres-

from Labour MPs. seemed less than confident about the prospects of a special EEC swamit being called next month to resolve the Bndget issue. Questioned by Mr. Peter

Shore, Labonr's foreign affairs spokesman, the Prime Minister Genied that she had abandoned ber objective of a "broad balance" In Britain'a EEC payments and receipts. Glimonr refnses to be specific on budget, Page 2

of Bank imminent

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

MAJOR changes are imminent home and among the executive directors and senior officials who run the possibly today.

first extensive change in the economics adviser.

team which has been at the top
of the Rank under Mr. Condon.

Bank is run by Mr. the Bank under Mr. Gordon Richardson, the Governor, since

The announcement is expected to cover changes io structure as well ss promotions for certain senlor officials.

The expectation is that Sir Jasper Hollom, the deputy governor, will not seek another ove-year term after 10 years in the post. He may, however, continue to be involved with the Bank at a senior level.

The changes could involve slightly different responsibilities for existing executive directors. including Mr. John Fforde and Mr. "Kit" McMabon on the

respectively.

Organisational changes may Bank of England. An announce- affect the economics side of the ment is expected this week, Bank following the arrival this month of Mr. John Flemming The moves will involve the from Oxford as a special

> The economics work of the whose present term runs out in year's time when he will be

There are six executive directors of the Bank, including the governor and his deputy. out of a total of 18. This group takes all the main day-to-day decisions. The governor and his deputy bave five-year appointments-made by the Queen on the sovice of the Prime Minister. The other executive directors serve four-year terms. Mrs. Thatcher is believed to

Chairmanship of this collec-

rent chairman is Mr. Lazar

his annual term expires in May.

the top party and government

Similar arrangements cover

have taken a close interest in

Salisbury. The U.S., South Africa and Australia were already repre-sented, while France, Germany, Italy, Greece, Portugal, Switzerland and the Netherlanda would

A further indication of the degree to which British officials are not in complete control came at yesterday'a Press conference when Mr. Bill Ferris, the Rhodesian director of information, announced that journalists would be invited to interview 47 Mozamblque soldiers presently in a camp in Eastern Rhodesia. Mr. Fenn, who is in overall charge of

foreign oil companies, higher travel expenditure overseas and increased payments to the

tween economic forecasters about the current account prospects for this year. The Treasury has projected a £2bn deficit but some prominent private sector forecasters believe the ootcome could be nearer balance, or even a small surplus, depending in the main on whether the recesalon and the possible cut in stock levels results in a fall in

cent-months' figures to give a clear lead. After excluding erratic items, such as precious stones and ships and aircraft import volume was unchanged between the third and fourth quarters of the year, but export volume on the same basia was 11 per cent lower. This reflected, in particular, the sharp fall in exports in October.

The terms of trade—the ratio of export to import prices-In the fourth quarter were 2 per cent below the level in the previous three months. This partly reflected a lower average rate of sterling.

Rhodesia ceasefire progress defended

THE MONTH OLD British sdministration in Rhodesia yes-terday made a major effort to rebut growing criticism that its implementation of the Lancaster House agreements bas not been impartial.

Mr. Nicholas Fenn, spokes man for the governor, Lord Soames, claimed that in the three and a half weeks since the agreements were signed "for-midable progress" had been rgistered, and "giant" strides

msde in the successful enforcement of the ceasefire.

But Mr. Fenn castigated ZANLA, the armed wing of the party led by Mr. Robert Mugabe, for violating the ceasefire agreement, by infiltrating men scross the border from Mozambique and by failing to aand all armed guerrillas to

over the last ten days Lord Sosmes' tiny British administration bas been accused by

Ceasefire resting on fragile trust, Page 3 Editorial comment, Page 16

a number of African and Commonwesith governments, as well as by the Patriotic Front, of favouring the existing administration and the party led by Bishop Abel Muzorewa: Government House bere, and presumsbly the Government in London, is clear angered by these criticims. In an effort to deflect them, Mr. Fenn's statement detailed and rebutted criticisms which have come not oely from Patriotic Front sup porters but also from the Rhodesians.

The latter have included com plaiots that Lord Soames should a monitoring force helicopter to transport Mr. Joshua Nkomo joint leader of the Front, to a rally last Sunday, Mr. Fenn replied that this was done for overriding security reasons.

But Mr. Fenn maintained the British position that the stationing of South African Bank is run by Mr. Christopher trops at Beit Bridge which Dow, an executive director links South Africa with Rhodesia, was a "single exception" to the Lancaster House undertakings that no foreign forces should be involved in Rhodesia. It was "preposteroua" to suggest that this could influence voters.

Mr. Fenn listed five main areas of achievement. Under the ceasefire be said more than 21.000 guerrillas had entered the assembly camps, good work-ing relations had been established with and between the commanders of the rival forces and ceasefire violations were

continuing to decline.

Border poats, including the road link at Chirundu with Zambia, were not unly patrolled but open to civilian traffic, Mr. Fenn said. Mozambique and Zambia had liaison offices in

be soon.

information here, admitted that he knew nothing of the trip. .

Continued from Page 1

There are big differences be-

import-value.
There is nothing in the re-

THE LEX COLUMN

Undeterred by tight money

After Monday's advance was only to be expected that the Stock Market should be in a more sober mond yesterday, but the buyers are still around. and around half the early falls in equities were recovered by the close. In gilt-edged, it was the turn of the short-dated stocks to show strength — no mean achievement when money was so tight that the overnight interbank rate tnuched 70 per

cent at one stage. The enconraging corollary of this tightness is that the long-awaited tax payments now seem to be rolling into the Exchequer to be forming into the exemples is attifactorily. Today's release of nearly £1bn of special deposits will be immediately swallowed up as the discount market repays loans to the Bank

of England. .The December trade returns were perfectly acceptable to the market, even though there was nothing to suggest that imports of consumer goods were on the decline. This is something that buyers of both gilt-edged and happening as 1980 progresses. but the present strength of sterling makes it rather less

Hill Samuel

Only a few weeks after Kleinwort Benson's purchase of a majority stake in a Bremenased bank, Hill Samuel is making its exit from Germany through the other side of the revolving door. Its Frankfurt venture, set up in 1968, has never been entirely successful in any of its activities-lending, corporate finance and investment management. domination of the

German stockmarkets by the big lucal banks made it very difficult for Hill Samuel to secure a foothold, and it gave up its seat on the Frankfurt Bourse some time agn. Also, corporate lending bas suffered from lower margins as the economy has slowed and the Laenderbanken bave begun to deploy their large deposits aggressively. In this sort of competideposit base is poorly placed-presumably Credit Commercial de France, which is taking over 80 per cent of Hill Samuel's German interests, is prepared to put in a lot of capital.

Things can never be quite the same once you have aued the central bank of a country in which you operate, as Hill Samuel sued the Bundesbank over the Herstatt affair, and this may bave been another con-

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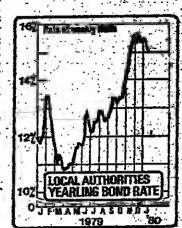
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drawal. Normally banks are too reluctant to admit that a foreign venture has not paid off-it certainly looks as though Hill heavy emphasis on conline Samuel should be able to employ growth. its capital more profitably elsewhere, probably in Australia. The most successful part of its

German business was the Ham-been talking for some time burg end, dealing in documen about its diversification plans. hurg end, dealing in documen-tary credits and other trade financing. Much of Kleinwort's business in Bremen will fall into this sort of category; for the rest, Kleinwort is likely to tread business, except with suboperation outside Frankfurt and nnhappy experience.

SGB Group

Pre-tax profits at SGB Group have risen from £10.7m to £14.5m in the year to September. trading margins. Nevertheless, yesterday the share price was unable to bold its own against

sents 45 per cent of the group's total business in the UK, showed cent. High utilisation rates in the repair and maintenance now showing solid improve be produced by a group of ments, with the Lomount open-mines, it is a matter for debate cast coal-mining operation and whether this is a job which the HSS bire group contributing should be done by the company

contrast, profits of the oversess operations were static at about fl.4m after additional pro-

There are some double about whether this strong overall per-formance can be repeated in the current year. While repair and maintenance is still browant. the building recession is likely to dampen growth later on. But to dampen given a static second half for SGB, a good first half, pur-formance could push full-year pre-tax profits up to about £17m. Given the group's con-servative depreciation policy, it must be one of the bester de sive stocks in the sector.

However, the 29 per cent dividend increase at the gress level was well below the hepes of some of the more opposition investors, even though the dividend cover does not appe excessive. A prospective fully taxed p/e multiple of 5.5 to 7 is not over-demanding, but the 5 per cent historic yield puts a

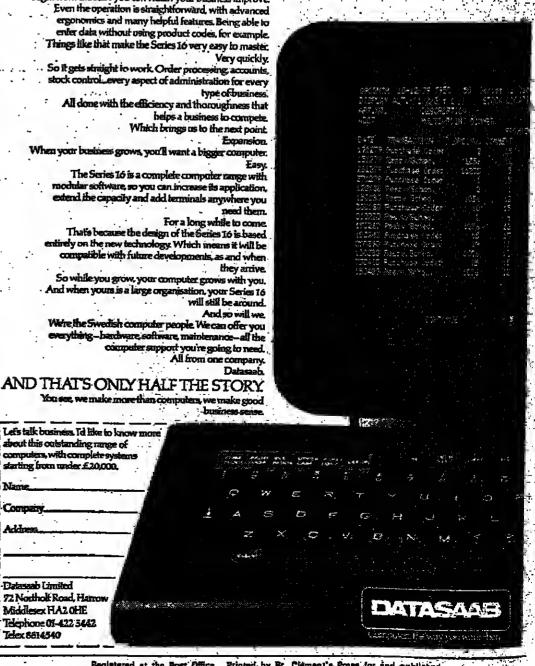
Consolidated Gold Consolidated Gold Fields has

and it is now putting its money where its mouth is. The objective is to build up its strength in areas of specialist manufac-turing, and a £24m bid for some carefully in the domestic lending subsidiaries of Texas International Company shows what it sidiaries of its non-German cus- has in mind: Over four fifting tomers. Its decision to base its of the proposed acquisition is represented by an nil and to take over an existing bank natural gas rig manufacturer, also seem to bave been which together with an existing also seem to have been which together with an existing influenced by Hill Samuel's business in the same field will give Consolidated Gold an important share of this market in North America. The group is seeking decent shares of engineering which do not expose it to high technology or rapidly changing with strong growth in all four of fashions, and other bids are the major UK operating divisions. likely to follow in the fairly and a further improvement in near future in the U.S. and

Capital employed outside South Africa already amounts the general decline in the stock to well over £400m-and there is market and closed 4p lower at clear scope for improving the year. Even so, sharply higher dividends from the gold mines profits growth of about 50 per will mean that South Africa is going to account for a noticeably higher; proportion of earnings. industry bave brought improved margins, while the Cuplok so reported in 1978-79. And system belped push up the group's market share further. Two recent acquisitions are stream of earnings than could

sideration behind the with about £2.7m between them. By as opposed to its shareholders.

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Weather DRY with sunny intervals in

moat parts. Scattered wintry showers likely on the aouth and east coasts of England. London, SE England, E. Anglia Cloudy with scattered wintry showers. Max. 4C (39F). Cent. S. England, S.W. England Dry with bright periods. Max.

Cent, N. England Sunny intervals after freezing fog patches clear Max. 4C (39F). E. England, N.E. England Cloudy with wintry abowers Max. 3C (37F).

Midlands, N.W. England,

Scotiand Max. 5C (41F). Outlook: Cold with wide-spread night frosts and some freezing fog patches.

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Amadm. Sn-2	28 Liabon	S 11 52
Athène C &	46 Locarno	Sn 0 32
Bercine S 15 Bercine C 7 Beirut C 11	52 London	C 3 37 5 -5 23
Bercine. C 7	45 Luxmbg. 52 Madrid	5 -5 23 5 6 43
Beirut C 11 Belfast F 3	37 Majorca	S 6 43 C 12 54
	18 Melegs	C 15 55
Belgrd. S -7 Berlin B -7 Biarritz S S	18 Melta	C · 15 55
Aperitz S S	41 M'cherr	C 4 39
amghm. F 1	34 Malbas.	Ř 17 63
alackol, C 4	39 Milen	Sn-1 30
Aordx. S 4	39 MntreeL	S = 1 30
Boulan, F O	32 Molecow	C -S 21
Aristol C 1	34 Munich	5 -a 1a
Brussele S -2 Budget C -2	28 Neirobi	\$ 26 78
	1a Napica	S 26 78 C 16 61
2. Airea S 28	82 - Nwcarl.	C 5 41
Cairo 5 18	84 N. York	C 10 50
Cardiff C S Cae'b'ca F 12	37 Nica	C 2 45
Cae'b'ca F 12	54 Oporto	F 8 48
Capa T. 5 30 Chicago C 3 Cologna C -6	84 Oslo 38 Peria	S 0 52 C -4 25 S 33 90
Chicago C 3 Cologna C —6	21 Perth	C -4 25 S 33 90
Cologna C -6 Conton, C 1	21 Pertn	5 33 90 Fg~14 07
Contagn. C 1	34 Prague	Fg 14 07
Corfu C 11 Oublin C 5	52 Reykjyk. 41 Phodea	C 2 36 5 12 54
Oublin C S Obrenk, F 11	52 Rio J'o	5 12 54 C 25 77 F 12 54
Corver, F II	37 Rome	F 12 54
Ednbgh. C 3 Faro S 11	52 Salzbrg.	F 12 54 F -6 21
Faro S 11	52 Salzorg.	
Conhgn. C 1 Corfu C 11 Oublin C 5 Obrvnk. F 11 Ednogh. C 3 Fara S 11 Frankft. S -5 Funchel S 18 Goneva C -1 Gibralta, C 11	23 Singepr	C 31 86
Funchel \$ 15 Goneva C -1	51 Streets.	C -5 23
Goneva C - I Gibralta, C 11	39 Sydney	S 28 82
Gibralta C 11	52 Tangiar	R 9 48
Glasgow S 5		Sn -1 30
G'rneey C 3 Helainki Sn-1	37: Tal Aviv	C 15 59
Heleinki Sn-1	30 Tenerile	R 13 55
H. Kong C 15	59 Tokyo	S & 47
Innsbrk. C –6	21 Toronto 37 Tunia	5 0 32
Invinas. C 3 I.o.Man S 5 Islanbul S 4	37 Tunia	S 16 61 1
lo.Man S 5	41 Valencia	F 11 57 (
Islanbul S 4	79 Wareau	3 -7 19
	07 7	

Concern over Tito as doctors consider amputating leg

BY ALEKSANDER LEBL IN BELGRADE AND ANTHONY ROBINSON IN LONDON

mittee of the Yugoslav League of Communists yesterday as all leave for the 220,000-strong Yugoslav Army was cancelled. decided last night about the need for a second operation.
This could involve amputation

of the left leg on which they pperated for a blood clot and

THE STATE of President Tite's

inflammation of the veins on Saturday nighl.

President Tito la being cover the treated by a group of foreign powers.

The st clinic in Ljubliana. Doctors prescribed drugs which reduced ture, but the operation does not appear to have eradicated the

The President's general state bealth and contingency plans in of health is believed to be good, tive body, rotates annually case of his death or incapacity but the prospect of a second and among the members. The curwere discussed by a plenary more serious operation has rent chairman is Mr. Lazar meeting of the Central Com- caused general concern. Il has Kolisevski from Macedooia, who inevitably drawn attention to will automatically become Head the question of his succession. of State on the death or in-

President Tito, who led the capscity of President Tito, until partisan struggle Doctors treating the 87-year- against Nazi Germany and old President were still un- emerged ss the undisputed leader of Yugoslavia in 1945, holds a large number of two main exceptions to the posts. He is President of two main exceptions to the Yugoslavia and the League of involve the armed forces and the Ministry of the Interior.

posts at a Federal, national and autonomous province level. The tutional arrangements exist to police. The armed forces are cover the peaceful transition of led by General Nikola Ljubicic and the Interior Ministry by The state presidency is a collective body of nine men made up of representatives from each up of the first property of post-operations tempera of the Federal Republic's aix reing the key reserve powers held provinces, plus the president of security organs.

the League of Communists. jobs for over a decade, reflect-

Hill Samuel to sell German bank

BY MICHAEL LAFFERTY

groups, is to sell an 80 per cent stake in the West German bank it set up 12 years ago to Credit Commercial de France. The bank, Hill Samuel and Co. OHG bank, Hill Samuel and Co. OHG live up to expectations either, of Frankfurt, was severely hit Hill Samuel executives bave by the 1974 collapse of the Geradmitted. The German bank is recently, man bank i. G. Herstatt, but, said to have found great diffihad returned to profitability in

the past few years.

ambitious plans for expansion

and diversification of Hill

HILL SAMUEL, one of the chant bank with the MEPC pro- against them in 1978, but net City's leading merchant banking perty group and another plan, losses finally emerged at only io 1973, to merge with the Slater £1.2m. Walker group, Both failed.

The German banking venture, aet up as a partnership, did not plans. "We just pulled in our live up to expectations either, horns," commented Sir Robert pleted spot transaction.

by a proposal to merge the mer- desbank. The decision went Samuel group.

pact on Hill Samuel's expansion

ad returned to profitability in culty getting business against has been pursuing a new strate past few years.

The deal effectively ends what domestic German banks. Then fee-earning activities and less turned out to be an ill-fated ven-turned out to be an ill-fated ven-ture for Hill Samuel. The move peared to have cost Hill Samuel deal is in line with this. Mr. into Germany came at a time of £11m as a result of an uncom- Richard Lloyd, a director, said have continued to decline and In an effort in recoup some ted at around £43m, will he re Islandul S 4 29 Warsaw 5 - 7 19
Jersay C 3 37 Zurich C - 4 25
Samuel into a "financial super- of this Hill Samuel and Co. OHG deployed in the Australian and Co. Cloudy, F. Fair, Fo. Fog. R. Rain, market." It was followed in 1970 soughl damages against the Bun- Irish subsidiaries of the Hill

The Herstatt affair had an im-

Clark, group chief executive In the past year, Hill Samuel yesterday. The proceeds, estima-